



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 79<sup>th</sup> CONGRESS, SECOND SESSION

## SENATE

FRIDAY, APRIL 26, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we beseech Thee that Thou wilt make this moment of devotion a pavilion of Thy peace as, trusting only in Thy mercy, we bring our soiled souls to Thy cleansing grace. We come with burdens on our minds and hearts for our Nation and the world; with haunting fears of a war won and a peace lost; with deep anxiety concerning the future our children will inherit from our hands. Yet we live in the faith that Thy truth is marching on even in the perplexities of these terrific days. We thank Thee for every word of truth which has been spoken the wide world through, for all of right which the human conscience has perceived and woven into the social fabric. Make us ministers of that love which will not halt its growing sway till it join all nations and kindreds and tongues and peoples into one great fraternity. In the dear Redeemer's name. Amen.

### THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 24, 1946, was dispensed with, and the Journal was approved.

### LEAVE OF ABSENCE

Mr. BARKLEY. Mr. President, at the request of the Senator from Idaho [Mr. GOSSETT], I ask that he be permitted to be absent indefinitely on account of important business.

The PRESIDENT pro tempore. Without objection, consent of the Senate is granted.

### MESSAGES FROM THE PRESIDENT— APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On April 23, 1946:

S. 486. An act for the acquisition of Indian lands required in connection with the construction, operation, and maintenance of electric transmission lines and other works, Fort Peck project, Montana;

S. 1363. An act to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or destroyed as the result of water damage occurring at certain naval and Marine Corps shore activities; and

S. 1601. An act to revive and reenact the act entitled "An act granting the consent of Congress to the counties of Valley and McCone, Mont., to construct, maintain, and operate a free highway bridge across the Missouri River at or near Frazer, Mont.," approved August 5, 1939.

On April 24, 1946:

S. 718. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands;

S. 1492. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 141 at the United States naval repair base, San Diego, Calif., on May 1, 1945; and

S. 1638. An act for the relief of Salvatore Carbone.

### REPORT OF BOARD OF DIRECTORS OF PANAMA RAILROAD COMPANY

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on InterOceanic Canals:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the Ninety-sixth Annual Report of the Board of Directors of the Panama Railroad Company for the fiscal year ended June 30, 1945.

HARRY S. TRUMAN.

THE WHITE HOUSE, April 26, 1946.

### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

### CREATION OF EVACUATION CLAIMS COMMISSION

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to create an Evacuation Claims Commission under the general supervision of the Secretary of the Interior, and to provide for the powers, duties, and functions thereof, and for other purposes (with an accompanying paper); to the Committee on Claims.

### GOVERNMENT EMPLOYEES DEFERRED FROM MILITARY SERVICE FOR OCCUPATIONAL REASONS

A letter from the Director of the Selective Service System, transmitting, pursuant to law, a list of registrants deferred for occupational reasons because of their employment in or under the Federal Government as of April 1, 1946 (with accompanying papers); to the Committee on Military Affairs.

### PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A memorial of the Senate of the Legislature of the Territory of Alaska; to the Committee on Territories and Insular Affairs:

"Senate Memorial 1

*"To the Honorable Harry S. Truman, President of the United States; to the Congress of the United States; to the Honorable Julius Krug, Secretary of the Interior:*

*"Your memorialist, the Senate of the Legislature of the Territory of Alaska, in the extraordinary session of the seventeenth session assembled, does most respectfully represent:*

*"Whereas the present chief executive of Alaska, Gov. Ernest Gruening, responsible to the Federal Government and not to the people of Alaska because he is a federally appointed employee, has seen fit to attempt to use his Federal office for political purposes; and*

*"Whereas the present Governor has done so by writing official letters from the Office of the Governor to members of the electorate soliciting their votes for certain candidates in purely local elections; and*

*"Whereas the present Governor has also used Federal funds as well as Territorial funds under his control for the purpose of printing and distributing booklets attacking certain members of the legislature for their actions as representatives legally elected by and responsible to the people, distributing these booklets in Federal franked envelopes; and has also used his appointive powers for political purposes; and*

*"Whereas the present Governor, during the past three regular sessions of the Territorial legislature, has attempted to wrest the control of the legislature from the people and place it in the hands of his office, and by so doing has disrupted cooperation and brought about stalemates between the two houses of our Territorial legislature and his office; and*

*"Whereas this legislature finds it increasingly difficult to mold legislative policies in freedom from executive dictation; and*

*"Whereas the Governor, under Alaska's Organic Act, has the power of vetoing any and all legislation passed by the legislature, whether or not it pertains to Federal functions; and*

*"Whereas the present Governor has abused this privilege by vetoing bills of purely local concern for political purposes; and*

*"Whereas no other Governor of Alaska, whether he was a resident of Alaska or a former citizen of some State, has been unable or unwilling to cooperate fully with the legislative body.*

*"Now, therefore, your memorialist, the Senate of the Legislature of the Territory of Alaska, does respectfully pray that the present Governor be removed from office with all possible dispatch.*

*"And your memorialist will ever pray."*

A petition of sundry citizens of Oakland, Calif., praying for the continuation of the

Office of Price Administration; to the Committee on Banking and Currency.

A resolution adopted by the executive board of the Texas Water Conservation Association, Pecos, Tex., protesting against an appropriation of \$23,323,000, as requested by the Southwestern Power Administration, unless it is first established that the consummation of its plan gives full consideration to existing property rights and is not an unnecessary duplication of existing facilities; to the Committee on Appropriations.

By Mr. GREEN:

A joint resolution of the General Assembly of the State of Rhode Island; to the Committee on Finance:

"Joint resolution memorializing Congress with relation to the matching by the Federal Government of certain State grants for old-age assistance, aid to dependent children, and aid to the blind

"Whereas the State government is paying approximately 54 percent and the Federal Government only 46 percent of the total expenditures for old-age assistance, and the State government is paying approximately 75 percent and the Federal Government only 25 percent of the total expenditure for aid to dependent children; and

"Whereas it undoubtedly was never the intention of Congress when it passed the Social Security Act to place an increasingly greater burden upon the States than was shared by the Federal Government: Now, therefore, be it

"Resolved, That the Senators and Representatives from Rhode Island in the Congress of the United States be, and they are hereby, respectfully requested to use every effort at their command to work for increased Federal participation in the three State programs, viz, old-age assistance, aid to dependent children, and aid to the blind—the elimination of the maximum provision with respect to aid to dependent-children payments; Federal participation in medical-care payments paid directly by the State agency to hospitals, physicians, or other practitioners until such time as a medical-insurance program has been provided; Federal participation, probably upon a 50-50 basis, in general public assistance; and be it further

"Resolved, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States."

#### PRICE CONTROL

Mr. CAPPER. Mr. President, I have received an important letter from Mrs. LaFell Dickinson, of Washington, D. C., president of the General Federation of Women's Clubs, urging price-control legislation which will adequately protect the people of the United States from further inflationary prices on food, shelter, and clothing. I ask unanimous consent to present the letter for appropriate reference and printing in the RECORD.

There being no objection, the letter was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

GENERAL FEDERATION OF  
WOMEN'S CLUBS,  
Washington, D. C., April 24, 1946.

Hon. ARTHUR CAPPER,  
United States Senate,  
Washington, D. C.

DEAR SENATOR CAPPER: The General Federation of Women's Clubs, an organization of 2,500,000 homemakers, is on record for "continued Federal legislation for equitable wage ceilings and price control on basic commodities such as food, shelter, and clothing

as being essential to the common good and to sustained prosperity during the period of readjustment."

I therefore urge passage of price-control legislation which will adequately protect the people of the United States from further inflationary prices on food, shelter, and clothing.

I believe that inflation far exceeding that of postwar days of World War I will follow unless effective price control is maintained, and that a far deeper depression than that of the 1930's will result—from which business will not recover for many years to come.

I believe also that materials can and will be released as soon as the price-control legislation is disposed of; that this will happen if an effective Office of Price Administration, functioning in an equitable manner, is maintained. This will mean immediate stimulation of business so sorely needed at the present time.

Therefore, for the future and long-time welfare of private enterprise, for the immediate increase in national production and distribution, for the protection of the buyers of the Nation whose well-being is essential to prosperity, I urge, without delay, continuance of genuine price-control legislation.

Respectfully and cordially yours,

Mrs. LaFELL DICKINSON,

President.

#### DIFFICULTY OF SERVICEMEN PROCURING AUTOMOBILES—TELEGRAM FROM PAUL A. LAMB, CANEY, KANS.

Mr. CAPPER. Mr. President, I have received a telegram from Paul A. Lamb, of Caney, Kans., a veteran who has served 5 years in the Army, and who has been trying very hard for 6 months to obtain an automobile but is having difficulty because of the attitude of the OPA which has not fixed the price. I think something should be done by the OPA to take care of such a situation as this. I ask unanimous consent to have the telegram printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CANEY, KANS., April 23, 1946.

Senator ARTHUR CAPPER,

Senate Building, Washington, D. C.

Having served in the Army 5 years I expected on my return that I would receive the benefits from my service. I ordered a car about 6 months ago from General Motors dealer. This dealer informs me that he has cars in stock but cannot sell them because OPA has not fixed the price. I need this car in my business. Half the cars on the road are a menace to public safety, yet because of some OPA rule they cannot be replaced. When may the public expect some relief from this oppression? I expect to publish your reply in local papers.

PAUL A. LAMB.

#### REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. J. Res. 225. Joint resolution to quiet the titles of the respective States, and others, to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; without amendment (Rept. No. 1260).

#### FLOSSIE I. FLETCHER

Mr. HAYDEN. Mr. President, from the Committee To Audit and Control the Contingent Expenses of the Senate, I ask

unanimous consent to report favorably without amendment Senate Resolution 262, and request consent for its present consideration.

There being no objection, the resolution (S. Res. 262), submitted by Mr. BARKLEY (for Mr. GLASS) on April 19, 1946, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Flossie I. Fletcher, widow of Lewis H. Fletcher, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

#### PRINTING OF ADDITIONAL COPIES OF CERTAIN HEARINGS BEFORE COMMITTEE ON INTERSTATE COMMERCE

Mr. HAYDEN. Mr. President, from the Committee on Printing, I ask unanimous consent to report favorably without amendment Senate Concurrent Resolution 60, and request consent for its immediate consideration.

There being no objection, the concurrent resolution (S. Con. Res. 60), submitted by Mr. WHEELER on April 9, 1946, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Senate Committee on Interstate Commerce be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of parts 1 and 2 of the hearings held before the said committee during the Seventy-ninth Congress on S. 1253, a bill to amend the Interstate Commerce Act, as amended, and for other purposes, relative to modification of railroad financial structures.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent the second time, and referred as follows:

By Mr. TYDINGS:

S. 2110. A bill to amend section 4 of the act of August 25, 1937, so as to provide a filing procedure in cases of adoption outside the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 2111. A bill for the relief of Esther Gearhart; and

S. 2112. A bill conferring jurisdiction on the Court of Claims to hear, determine and render judgment on the claim of W. C. Jackson; to the Committee on Claims.

By Mr. CORDON:

S. 2113. A bill for the relief of Chauncey L. Pierce; to the Committee on Claims.

By Mr. MAGNUSON:

S. 2114. A bill for the relief of Charles G. Meyers; to the Committee on Claims.

By Mr. PEPPER:

S. 2115. A bill for the relief of the Fort Pierce Port District;

S. 2116. A bill for the relief of Marion Contracting Co.; and

S. 2117. A bill for the relief of Mrs. Irma M. Pierce and Charles Z. Pierce; to the Committee on Claims.

By Mr. LANGER:

S. 2118. A bill to provide for the payment of a bonus of 30 cents per bushel on wheat produced and sold between January 1, 1945, and April 18, 1946; to the Committee on Agriculture and Forestry.

By Mr. MURDOCK:

S. 2119. A bill creating a commission on Federal contributions to States and local gov-



ernments by reason of Federal ownership of real property; to the Committee on Public Lands and Surveys.

#### ADDITIONAL AMOUNT FOR HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. HATCH (for Mr. CONNALLY) submitted the following resolution (S. Res. 265), which was referred to the Committee To Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Foreign Relations, authorized by Senate Resolution 9, agreed to January 6, 1945, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, hereby is authorized to expend from the contingent fund of the Senate, for the same purposes, during the Seventy-ninth Congress, \$5,000, in addition to the amount of \$10,000 heretofore authorized.

#### RULES OF CRIMINAL PROCEDURE FOR UNITED STATES DISTRICT COURTS (S. DOC. 175)

Mr. McCARRAN. Mr. President, the new rules of criminal procedure for the district courts of the United States have been compiled, with the notes that belong thereto, by myself as chairman of the Committee of the Judiciary. The bar of this country, as well as the press and the Congress, will want these rules when they are available. I presented this matter to the Committee on Printing and they have approved the request I am about to make. I, therefore, ask that the compilation be printed as a Senate document.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

#### MERGER OR UNIFICATION—ADDRESS BY SENATOR ROBERTSON

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a radio address entitled "Merger or Unification," delivered by Senator ROBERTSON on April 25, 1946, which appears in the Appendix.]

#### ADDRESS BY GENERAL EISENHOWER TO AMERICAN NEWSPAPER PUBLISHERS' ASSOCIATION

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address delivered by Gen. Dwight D. Eisenhower, Chief of Staff, at the annual meeting of the American Newspaper Publishers' Association in New York City on April 25, 1946, which appears in the Appendix.]

#### REVIEW BY ELMER DAVIS OF THE BOOK ONE WORLD OR NONE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a review by Elmer Davis of the book *One World or None*, published in the March 30 issue of the *Saturday Review of Literature*, which appears in the Appendix.]

#### SENATOR MCKELLAR CHAMPION OF TVA—EDITORIAL FROM THE TRUTH AND HERALD

[Mr. MCKELLAR asked and obtained leave to have printed in the RECORD an editorial entitled "Senator McKellar Champion of TVA," published in the *Truth and Herald*, of Winchester, Tenn., on April 17, 1946, which appears in the Appendix.]

#### ADDRESS BY JOHN S. KNIGHT ON OCCASION OF HIS ACCEPTANCE OF THE POOR RICHARD CLUB AWARD

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address delivered by John S. Knight on the occasion of his acceptance of the Poor Richard Club award, which appears in the Appendix.]

#### FARMERS—MAN AGAINST HUNGER—ARTICLE FROM TIME

[Mr. HICKENLOOPER asked and obtained leave to have printed in the RECORD an article entitled "Farmers—Man Against Hunger," from the magazine *Time* for April 29, 1946, which appears in the Appendix.]

#### PRICE CONTROL AND THE OPA

Mr. WILEY. Mr. President, one summer during my university life I was privileged to be a cub reporter on our newspaper, the *Chippewa Herald*. George E. Dee was the owner and editor.

I remember that he said to me: "The job of a reporter is to get the facts. Never editorialize on the news page. I'll do the editorializing. Tell the whole story. Tell both sides—all sides. News should never be lopsided or biased. We newspapermen are trustees of great human rights—freedom of the press. That means we give the facts. We don't try to reshape the facts."

I read in this same local newspaper the other day a news item by James Marlow, of the Associated Press. It was a good job done on a debatable subject, giving both sides of OPA. I ask that this news release be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### THE NATION TODAY

(By James Marlow)

WASHINGTON.—The House vote on OPA would knock price controls into a cocked hat. (This won't become a fact unless the Senate agrees with the House action and the President approves.)

But why does the House want to get rid of price controls so fast, since the administration wanted a strong OPA continued another year?

Here are some of the arguments offered by those who want an end to price controls quickly:

1. The wartime rise of costs and the OPA lid on prices have squeezed profits until it's tough or impossible to do business.
2. There's a huge demand for goods of all kinds, but the supply of those things is not great enough to meet the demand.
3. The supply is being held down because manufacturers can't produce and still make a profit because of OPA ceilings.
4. If the ceilings were taken off, business could make a profit which would encourage production.
5. With production soaring, supplies would soar and supply would come closer to meeting demand.

The Government's side of the story is this:

It has tried to keep living costs and prices in hand for 4 years. It is lifting price controls wherever it can, to prevent hardship on business or because there's danger of prices in a certain field going haywire.

It wants to continue this gradual easing of controls so that the Nation can finally get into full peacetime production without much increase in living costs.

The Government has fought the idea of a widespread lifting of controls on these grounds:

A sudden wide end to the controls would let prices get out of hand, undo all the efforts of the past 4 years, and send the Nation skating into a ruinous inflation.

But if price ceilings are removed, won't prices go up?

Sure. Very few people would try to deny this. But how high up? No one knows exactly. There are only guesses.

Says OPA's Deputy Price Administrator James G. Rogers: "Prices will rise 50 percent in the next 8 or 10 months, if controls come off."

This estimate may be too high. But, again, no one knows.

But if prices soar, will they stay there?

This is where those in favor of removing price controls step in and say:

"Prices may go up at first, while goods are still not sufficiently plentiful to meet demand, but once this is met, then prices will start falling because that is how our economy works."

Mr. WILEY. Mr. President, in this week's *United States News* David Lawrence in his editorial, *History Repeats Itself*, says a lot of thought-provoking things. I quote:

Much of the blame falls on President Truman and on the OPA itself. The President might have noted last year that Great Britain, also a democracy and also interested in private capitalism, extended wartime controls for 5 years after VJ-day. The OPA should have noted, too, that incentives to production are vital to the defeat of shortages, instead of concerning itself with perpetrating the New Deal prejudices on profit control. The OPA should have developed a formula for gradual increases in prices to meet increases in wage or material costs.

In that one paragraph David Lawrence puts his finger, as I see it, on the great lack in OPA. This lack of appropriate action—failing to see the need of providing equitable prices for goods into which increased labor and material costs have gone—has caused many people to interpret the initials OPA as meaning "Other People's Agony."

On another occasion I have said that OPA would have to go or change its methods of administration. This same thought is brought out by David Lawrence under the subtitle in his editorial, *Reconstruct the OPA*. I quote his language:

The inflexibility of the OPA, however, is no argument against continuation of necessary controls. If the machinery is inefficient, pressure to make it efficient should be exerted. If radicals are in charge of OPA administrative tasks, then conservatives should be found to replace them. Indeed, where the screws must be applied to industry, it is better that men in whom industry has confidence shall apply them. Conservatives usually can do better with radical ideas than the radicals can themselves, if assured, of course, that the end result is to promote the free enterprise system and not some form of socialism.

Because of my general criticism on many occasions of OPA, I want it strictly understood that I have found many competent and efficient men connected therewith, and have received fine cooperation. However, let me repeat, if we are to extend OPA, it will be necessary that we change the policy makers—the men in high places, those at the head of divisions—because they have become frozen in their concepts. Let me read a letter that came to my desk today. I

cannot vouch for the correctness of the statistics, but it confirms absolutely what has been said heretofore, that the way that OPA has been operating has interfered with production. This letter comes from a small businessman, who says:

My present plea concerns small-business needs of eliminating cost-absorption squeeze by OPA. Please let us roll up our production sleeves and give America the goods and services it needs. Thirty-four percent of vital productive small business enterprises have been unable to put new products on the market. Forty-four percent have had to stop marketing certain products. Forty percent are being forced to curtail or eliminate specific products, and 36 percent are confronted with shut-downs. Why OPA and its dismal failure to set ceiling prices which return the cost of production?

In his letter, he calls for drastic reforms in OPA.

Mr. President, what caused me to make these remarks today was the correspondence that has been pouring into my office as a result of OPA fear propaganda. Certainly in the extension of OPA there should be cut the appropriation which has been utilized by OPA for this fear propaganda. Several weeks ago I inquired of the Attorney General as to whether or not OPA was violating the statute by its fear-propaganda methods, in seeking to influence Congress. The Attorney General ruled that, in view of the appropriation made for "information purposes," there was no violation of the criminal statute.

We are informed that in the various departments of government there are 18,000 full-time publicity experts and 11,000 more part time. That is costing a great deal of money, but that is not the worst part of it. What happens is just what has taken place since the House passed the OPA bill. The subordinate departments attempt to become the policy makers. Congress, under the Constitution, is the policy maker. I am suggesting that a special committee be appointed to investigate this whole publicity set-up in Government. Compared with more than 3,000,000 Government employees, of course, 38,000 is not a great number, and, undoubtedly a good many of them should be retained, but I believe that many of them could be dispensed with, especially that part of the publicity group in the OPA which seeks to influence legislation.

#### CRITICAL ITEMS FOR EXCLUSIVE DISPOSAL TO VETERANS—LETTER AND STATEMENT FROM WAR ASSETS ADMINISTRATION

Mr. MAYBANK. Mr. President, I have today received a letter from Gen. E. B. Gregory, Administrator of the War Assets Administration, with which he has sent me a list of critical items for exclusive disposal to veterans, which includes automotive vehicles, trucks, motorcycles, scooters, trailers, tractors, construction, mining and excavating machinery, agricultural machinery, medical, surgical, and dental apparatus and equipment, and typewriters.

I wish to read the last paragraph of the letter. It is as follows:

Inevitably, veterans frequently will be disappointed in their efforts to acquire much-

sought-after surplus goods. But they will have the satisfaction of knowing that all such set-aside goods are going to veterans like themselves.

In other words, Mr. President, some veterans at least will get the much-needed surplus goods they have so long tried to obtain.

Mr. President, I ask unanimous consent that the letter, together with the list of critical items, be printed in the RECORD as a part of my remarks.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

APRIL 26, 1946.

Hon. BURNET R. MAYBANK,

United States Senate,

Washington, D. C.

DEAR SENATOR MAYBANK: The War Assets Administration is preparing to carry out the amended provisions of the Surplus Property Act as soon as they become law.

All required changes in procedures are in process of being worked out. Arrangements have been made fully to inform the veteran of his new opportunities through national advertising and all other available means.

While the contemplated improvements in the veterans' buying position will—to a certain extent—divert goods to them from other priority channels, the law itself cannot, of course, increase available supplies of surplus goods in heavy demand. For that reason the effect of the changes on the actual flow of surplus goods to veterans necessarily will be limited, as it has been in the past, by what we have available in surplus of the items veterans desire to purchase.

It would be unfortunate indeed if the veteran should misunderstand this. The language of the law itself and the committee reports supporting it make it clear that the Congress had not the remotest intention of holding out to him a prospect of getting anything and everything he wants out of surplus.

The War Assets Administration is taking every opportunity to impress upon the veteran the inescapable fact that there is not now and never will be enough goods in surplus to meet his every need. It is important, too, that the veteran understand that it is not the intent of the Congress to set the Government up in retail business. The War Assets Administration is hopeful that an understanding press and public will help dispel any such misapprehension.

Your own long concern with the veterans' interest in surplus property has made you familiar with the types of surplus goods in heaviest demand. You are aware that veteran demand has been largely concentrated in a few items which I have listed for congressional committees studying the matter. That list, changed only in minor detail, comprises the items which will be set aside for sale exclusively to veterans for either personal or business use.

Certifications already made of veterans as eligible to purchase under the original act will remain valid. In sales of set-aside items, these applications will be serviced in direct proportion to new applications for the same items. New certification will be required if the applicant desires some item on the list for which he has not previously been certified, or for personal use.

For personal-use buyers at set-aside sales the certification procedure will be simple. The applicant will need to fill out only one (blue) form, a copy of which is attached. Set-aside sales under the new order will be held in the several regions as soon as necessary arrangements, including provision for proper notices, can be made. Applications to buy other than set-aside goods for business use, under the second general priority which supersedes the preference, will continue under existing procedure.

Inevitably, veterans frequently will be disappointed in their efforts to acquire much-sought-after surplus goods. But they will have the satisfaction of knowing that all such set-aside goods are going to veterans like themselves.

Sincerely yours,

E. B. GREGORY,  
Administrator.

#### VETERANS' CERTIFICATION FORM

The list of critical items for exclusive disposal to veterans is as follows:

##### CLASSIFICATION

Automotive vehicles: Passenger cars (used), passenger cars (new).

Trucks: Jeeps, all trucks 2½ tons or less. Motorcycles, scooters.

Trailers: Bomb trucks, all trailers.

Tractors: D4 and R4 Caterpillar, 36-45 DB horsepower or equal; D7 Caterpillar, 61-90 DB horsepower or equal; D8 Caterpillar, 91-140 DB horsepower or equal; TD9 International, 36-45 DB horsepower or equal; TD14 International, 46-60 DB horsepower or equal; TD6 International, 46-60 DB horsepower or equal.

Construction, mining, and excavating machinery: Tractor-type scrapers; air compressors; batching plants; crushing and screening plants; ditching machines; cranes, shovels, and draglines.

Agricultural machinery: Land levelers, plows.

Medical, surgical, and dental apparatus and equipment: Major operating tables, operating lamps, field X-ray units, diathermy machines, dental units, dental chairs, dental cabinets.

Typewriters.

#### YOUNG DEMOCRATS' HEAD IN WISCONSIN BOLTS PARTY—ARTICLE FROM NEW YORK HERALD TRIBUNE

Mr. BRIDGES. Mr. President, I hold in my hand an article from the New York Herald Tribune of April 24, headed "Young Democrats' head in Wisconsin bolts party, joining Republicans; he calls it no longer liberal." He says—and I am now quoting from the Herald Tribune—that the reason he is departing from the Democratic Party is "that the young Democrats group was burdened with members who supported Russia instead of America." He says he is going to join the Republican Party because the Democratic Party now stands for Government tyranny, is increasingly dominated by the leftists, and "had failed Poland, Iran, and other small nations."

Mr. President, I think it is rather significant when we see the young men of the Nation leaving the Democratic Party, giving it up completely as hopeless, and coming over to our Republican Party. It gives us hope for the future of the Nation, and gives us as Republicans particular pleasure that the young men of our country are moving in our direction.

I ask unanimous consent that the article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### YOUNG DEMOCRATS' HEAD IN WISCONSIN BOLTS PARTY—JOINING REPUBLICANS; HE CALLS IT NO LONGER LIBERAL

MILWAUKEE, April 23.—Chester J. Michalak resigned today as president of the Young Democrats of Wisconsin and announced he was joining the Republican Party.

He declared that the Democratic Party had departed from its role as a party of the



people and instead now stood for government control of the people.

In a statement, Mr. Michalak called upon "all liberal-minded young Democrats to join the Republican Party as the party that now really stands for government by the people," and asserted that the Democratic Party no longer was a truly liberal party but was losing out to leftists.

He charged that the Democratic Party had failed Poland, Iran, and other small nations and that the young Democrats group was burdened with members who supported Russia instead of America.

Mr. Michalak, insurance representative and income-tax consultant, was elected president of the young Democrats in January 1944.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Ohio [Mr. TAFT].

The Senator from Mississippi [Mr. BILBO] is entitled to the floor.

Mr. BILBO. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Hart	Pepper
Ball	Hatch	Radcliffe
Bankhead	Hawkes	Reed
Barkley	Hayden	Revercomb
Bilbo	Hickenlooper	Robertson
Bridges	Hill	Russell
Briggs	Johnston, S. C.	Saltonstall
Brooks	Knowland	Shipstead
Bushfield	La Follette	Smith
Capper	Langer	Stewart
Carville	McCarran	Taft
Cordon	McClellan	Taylor
Donnell	McKellar	Thomas, Okla.
Downey	Magnuson	Thomas, Utah
Eastland	Maybank	Tobey
Ellender	Mead	Tunnell
Ferguson	Millikin	Tydings
Fulbright	Mitchell	Wheeler
Gerry	Moore	Wherry
Green	Murdoch	Wiley
Guffey	Murray	Willis
Gurney	O'Daniel	Wilson

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. GOSSETT], and the Senator from Louisiana [Mr. OVERTON] are absent by leave of the Senate.

The Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. LUCAS], and the Senator from Connecticut [Mr. McMAHON] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. HUFFMAN], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Arizona [Mr. McFARLAND], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New York [Mr. WAGNER], and the Senator from

Massachusetts [Mr. WALSH] are detained on public business.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

Mr. WHERRY. The Senator from Vermont [Mr. AIKEN], the Senator from Nebraska [Mr. BUTLER], the Senator from Kentucky [Mr. STANFILL], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from Indiana [Mr. CAPEHART], and the Senator from Oregon [Mr. MORSE] are necessarily absent.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State.

The PRESIDING OFFICER (Mr. HAYDEN in the chair). Sixty-six Senators having answered to their names, a quorum is present.

Mr. McKELLAR. Mr. President, I have a 20-minute speech I wish to make on the pending joint resolution. I wonder if the Senator from Mississippi would be good enough to yield to me at this time.

Mr. BILBO. I am very sorry, but I have some comments which will take about 20 minutes, answering the magazine known as Life. When I have finished that nasty job I shall be glad to yield to the Senator from Tennessee.

Mr. McKELLAR. Will the Senator's remarks be long?

Mr. BILBO. They will take about 20 minutes.

Mr. McKELLAR. I thank the Senator very much.

Mr. BILBO. Mr. President, I may say that several of my colleagues have asked that I yield so they may be recognized. I always try to be courteous, and I shall be glad to yield, but I desire to finish this job while it is on my mind. Then I shall yield.

Mr. President, on March 11, 1946, the husband of the so-called glamour girl of Connecticut, CLARE BOOTHE LUCE, who is the owner and publisher of the Negro social-equality weekly called Life, and also the publisher of a similar magazine called Time, displayed a sensational article in Life entitled "Senators Face Election," and subheaded by the words "An estimation of their intelligence and capacity." Mark those last three words.

This article in this leftist, or communistically pink, colored mongrel magazine is not credited to any writer or author, strange to say. This fact is very significant. It necessarily means that the article must be chargeable to the owner, publisher, staff, and editors, including the political wheelhorse of the outfit, CLARE BOOTHE LUCE.

The consensus of opinion among the inner circles in the Washington political whirligig is that Connecticut's Republican darling, sometimes called the glamour girl, and more properly called fickle and capricious CLARE of the Nutmeg State, was the master mind behind this political and libelous scandal blast against the great majority of the United

States Senators seeking reelection in the year 1946.

The plan and effort to smear this great body of United States Senators was conceived many months ago, because large sums of money were spent in sending photographers and making photographs in all the 33 States where these 33 Senators are making their campaigns for reelection this year. I had two delegations from Life in my State. Some of them enjoyed the hospitality of my home and ate my grub.

Whether the Luce family and Life magazine are communistic or not—I am not now making the charge that they are—the article I am now discussing certainly has the communistic pattern, for we all know that the Communists never miss an opportunity to smear our high-ranking Government officials, that is, never, unless they are in sympathy with them, thus undermining the confidence of the people in their Government. That is the scheme of the Communist, to destroy the confidence of the people in their officials, from the President down. That is the way they go about it. Do you not think, Mr. President, that it is remarkable and rather strange that Life can take only one-third of the Senators and smear them and try to destroy 23 of the 33? If Life is not communistic, the Communist Party should send old man Luce, or the magazine Life, a fat check for good services rendered, for what they have done.

Mr. President, I now want to read the introductory remarks of this unsigned article in Life:

Senators face election.  
An estimation of their intelligence and capacity.

Mark those two words—"intelligence" and "capacity."

This year 35 seats in the Senate will be up for election. Because the Senate is the Nation's most important legislative body, where a single vote can sometimes be decisive, the successful conduct of an intelligent domestic and foreign policy in the next few years will depend to a large extent on the caliber of the men who will occupy those seats.

Now, that is very fine. I agree with that.

Of the 35 men there now, two (HART, of Connecticut, and ANDREWS, of Florida) have announced their decisions not to run. Most of the remaining 33 will be candidates, at least in the primaries or party conventions, to succeed themselves. The first convention will be held March 13 in North Dakota.

Now, listen, Senators:

To help the American people consider whether they can improve on their Senators, Life asked a panel of top-ranking Washington correspondents—

Get that, please—

of varying political beliefs for their opinions of the intelligence and capacity of these 33 Senators.

The main object and the announced purpose of the magazine article is to give the people of this country some information about the intelligence and capacity of these 33 men.

In addition, Life asked reporters, business associates, and friends in the home States for impressions of the Senators, based not on the Senators' political stands but solely

on their fitness for such a responsible job. The opinion quoted at the end of each picture caption is based on their views.

Mr. President, there has not been published in the American press a more misleading, deceptive, and artistically stated lie in the recollection of any living American. Senators will note in this introductory statement that Life pretends to want to help the American people to consider whether they can improve on their Senators. To do this they say that they asked a panel—and now Senators know what a panel is—of top-ranking Washington correspondents—there they are in the galleries above [laughter]—of varying political beliefs for their opinions of the intelligence and capacity of these 33 Senators.

And in addition—mark you this—Life says they asked reporters, business associates, and friends in the home States of the Senators for impressions of the Senators based not on the Senators' political stands but solely on the Senators' fitness for the job. In other words, they are telling the American people that "We went into the respective States of these 33 Senators and we consulted their associates, their friends, and the reporters in those States." Then Life audaciously quoted an opinion following each Senator's picture, an opinion which was supposed to be based on the views of these correspondents, business associates, and friends.

When I first read this introductory statement, I knew at once that the Luce was getting ready to perpetrate upon the American people and the American voters a collection of lies and views and misrepresentations to suit the deep-laid plans and purposes of the Luce hierarchy, Papa Luce and Mama Luce. [Laughter.]

To make sure that I was right—now get this—to make sure that I was right, 30 days ago today I issued a statement to the press to prove that the whole miserable scheme and concoction in the article was prepared for political purposes and further to perpetrate the plans of this Negro social equality outfit. The reason I call it a Negro social equality outfit is because in a very recent issue of the same magazine there are displayed some mulatto and mongrel Americans outstanding in the Negro world, and the magazine specially played up the theatrical production, *How Deep Are the Roots*, and insulted the entire South by showing the picture of a Negro soldier who had returned from the war and had gone to one of the plantations of the South, and the daughter of a southern farmer or planter on her knees begging this worthless Negro soldier to marry her.

As announced in my statement to the press, for 30 days I have had a standing reward of \$100 to be given to one or more newspaper reporters or correspondents in Washington who would admit and prove that he was a member of the panel as announced by Life. That offer has been standing for 30 days. Many of my colleagues have also tried to discover some Washington correspondent who was called in by the Luce's publication Life to help prepare this article and serve

on that panel. Up to this good hour I have had no taker of my \$100 reward, nor have my colleagues been able to locate any of the members of this panel among the newspaper correspondents in Washington. Of course, that does not include the Life and Time outfit. They all belong to the same gang. I have consulted the newspaper reporters of my State, and so far have found no one who knew anything about the preparation of the article which appeared in the March 11 issue of Life. That is why I say it is the greatest lie in the history of the American press.

In checking over the write-ups under each of the 33 pictures, I find that of the 33 Senators seeking reelection 12 are Republicans and 21 are Democrats. Papa and Mama Luce, in a half-way manner, O. K.'d or gave a passing grade to only 10 of the 33. In other words, if this pair of Negro lovers had their way about it they would defeat 22 of my colleagues—and myself—when we stand for reelection this year. They need not be worried about defeating me. It is true that I have four opponents, but I have no opposition.

It is indeed remarkable, but of the 10 who made the grade in Life, in the opinion of Papa Luce, and fickle, capricious Clare, 6 are Republicans, representing 60 percent of those O. K.'d, and only 4 are Democrats—4 lone Democrats out of 21 Democrats to be reelected, or about 13 percent of the whole. To state it another way, 60 percent of the Republicans are given a passing grade, but only 13 percent of the Democrats are given the green light, out of the 33. Even Mortimer Snerd, in Edgar Bergen's Charlie McCarthy show, would understand from these percentages that fickle and capricious Clare and Papa Luce are seeking to wreck the Democratic Party and leadership.

In this connection, I wish to make some remarks about Mrs. Luce which may not be considered exactly complimentary, but I am justified in making them. I wish to read what the lady had to say about me. I do not know why she picked me out. I do not understand it. I pick up one newspaper which says, "Bilbo is of no force; he has no influence; he amounts to nothing. He is but sounding brass and a tinkling cymbal."

Then I pick up another newspaper and learn that certain interests are threatening to send \$1,000,000 to Mississippi to defeat me. If I am so unimportant and inconsequential, why spend \$1,000,000 to defeat me? Just let me die. I can do no harm, according to their view.

The Republican Party management, incidentally or accidentally, invited Mrs. Luce to make a speech at the Abraham Lincoln dinner on the 7th of February. In that speech she made this statement:

The Bilbos of our Congress evoke many secular authorities and political and economic principles for their intolerant attack on the Negro.

I have not been attacking the Negro. I have never attacked the Negro. I have been the Negro's best friend; and sometimes I think that I am about the best friend the Negro has on the floor of the

Senate, because I know that something must be done for him, and I am trying to do something.

But not even Senator Bilbo has had the impudence to quote Scripture as witness. Why? Well, let us quote from Scripture for him. It has been said, "If any man say 'I love God' and hateth his brother, he is a liar."

That is a cute way to call me a liar.

Against this supreme charge, Senator Bilbo must find himself defenseless, now and eternally. Let us try, as best we can, to stay out of that dreadful docket with him, for unhappily all of us have, to some extent, failed our brothers.

To show that I am no enemy to the Negro, let me say that I believe in giving him an economic opportunity. I believe in giving him what he is entitled to.

I have before me a column from the Jackson (Miss.) Daily News, telling the story of my distinguished opponent, Ross Collins. Many Senators know him. He spends part of his speech in denouncing Bilbo, because I happen to be chairman of the Senate Committee on the District of Columbia, and my committee handled the confirmation of the nomination of Marshall Shepard as Recorder of Deeds in the District of Columbia. Collins is charging that I am the man who had him appointed; that I persuaded President Roosevelt to appoint him; and that I went to my colleagues on that committee and secured a favorable report on his nomination. He claims that I am responsible for him. He says that I tried to have his salary raised after I got him in, and that I obtained a Mississippi Negro girl to act as his secretary.

My colleagues know that that is a lie out of the whole cloth. The Senator from Pennsylvania [Mr. GUFFEY] and Bob Hannegan are the men who persuaded President Roosevelt to appoint the Reverend Marshall Shepard, of Pennsylvania, to this job. The office of Recorder of Deeds has been a Negro job since 1881. Frederick Douglass started the roll, and all these years that office has been considered a part of the patronage in the city of Washington belonging to the Negro race. Only two Presidents in all that time have dared to vary from that rule or understanding. The rule is that no matter whether he be a Democrat or a Republican, a Negro shall have that job.

But when this appointment was made by President Roosevelt I was in the Mayo brothers' hospital, on the flat of my back, having had an operation. I was confined to the hospital for nearly a month, after which I went home to convalesce. During that time this nomination was referred to my committee. My secretary wrote to me or telegraphed to me—I have forgotten which—inquiring whether it would be all right to poll the committee; that the Senator from Pennsylvania [Mr. GUFFEY] and Senator WALSH of New Jersey wanted it done; that my friends wanted it done; and that the administration wanted it done. I replied stating that it would be all right to poll the committee, and the committee was polled, not by me, because I did not know anything about it. The committee was polled, and the nomination was favor-



ably reported by Senator WALSH of New Jersey. The nomination was confirmed after some debate on the floor of the Senate. It was done in the open, but I had nothing to do with it. I was not here. I was a sick man, in the hospital and at home.

The other night a Negro in Washington telephoned to me and stated that he had just contributed \$100 to defeat me in Mississippi. He said that he was a member of the police force. I tried to get him to make it \$200. I said, "My friends are organized down there, and ready to receive all the money you send. We will take it, wash it, and use it in the campaign for votes for BILBO. That is the ticket." I made a proposition to him, that if I were defeated I would refund to him every cent that he had sent to Mississippi, provided, that if I were elected he would resign and get out of Washington, which he will not likely do if I am reelected, which I shall be.

Let me say to my enemies—the minorities of New York, New Jersey, and Pennsylvania—that when they send their money to Mississippi to help Ross Collins they are helping a man who is trying to ride into office on the basis of prejudice against the Negro race. I was the first man elected to the office of Governor of Mississippi since the Civil War without ever mentioning the race question. Nary a word did I say about it. The Negro churches held prayer meetings in the interest of my election, because I was not doing as others had done, namely, riding the Negro's coattails into office. z

As Governor of the State for 8 years I saw that the Negro got justice. I did not hesitate to pardon him when some white man put up a job on him. I had the "guts" to pardon him. While I was Governor I pardoned more than 5,000 persons. Of course not all of them were Negroes. And I helped in their educational program, all of which the Negroes of Mississippi know; and if my reelection were left to the vote of the Negroes of Mississippi, I know I would be reelected, unless the Chicago Defender and the Pittsburgh Courier were circulated and Sidney Hillman and the CIO organized them and voted them like sheep.

This morning I picked up a copy of the Washington Post and saw a dispatch from Atlantic City, in which the head of the CIO is quoted as saying that "a possible result of the CIO's organizing drive in the South might be the elimination from public life of Senator BILBO." Well, Mr. President, I will meet them when they come.

Mrs. LUCE had something else to say about me in that speech:

The personal prejudices of such men as Senator BILBO are not only a spiritual blot on our civilization, they are an economic drain on the purse of the whole Nation. The monumental size of the national debt requires that every able-bodied man and woman in the United States must produce to his fullest capacity, if we are ever to free ourselves of that staggering burden. In the face of such a necessity, the personal hatreds of the BILBOS are too expensive for the Nation to afford any longer. We can no longer pay for such Democratic juvenile delinquencies.

Well, Mr. President, I did not know I was a delinquent yet. Do you know what

she was trying to say? Do you know what all of them are trying to say when they talk about my prejudice and my bigotry against the Negro race? They say that because I believe in segregation. I believe in the protection of the Negro race and the protection of the white race, as well. I do not believe in social equality with the Negro. I do not believe in the mongrelization of the Negro race and the white race. As Dr. Linton said the other day at Columbia University, if the present process of mongrelization between the whites and blacks in this country continues at the present rate, in nine generations we will all be yellow; there will be no whites or blacks.

If I were to say that I was in favor of social equality with the Negro I would be a hero with Life and with the Luces. I have got to say that I believe in social equality with the Negro before they will even admit that I am a Democrat. They say that is democracy. Mr. President, it is not democracy; it is suicide. They are attempting to destroy their own race.

Mrs. LUCE was not satisfied with the speech she made at the banquet in Washington, and afterward she made a speech over the radio, over Station WWDC. Mr. President, you should have listened to what this good lady said about me. I never bothered her, I never said anything about her, I never got in her way. She said:

Come, courage, Mr. Talmadge, remember your Revolutionary ancestors, please. Both their blood and their spirit is in you, and you daren't be afraid of what might be said by one lone, ridiculous, and anachronistic, flannel-mouthed racial supremacist like Senator BILBO.

Well, Mr. President, I never knew before that I was anachronistic; I never knew before that I was flannel-mouthed; but I know that I believe in the white race. If you want to call that white supremacy, all right; and if you do not think that you, as a white man, are any better than a Negro, I agree with you; in fact, I do not think you are as good.

I think Mrs. LUCE should no longer be called the glamour girl, although "Webster's New Superior Dictionary" gives us the following definition of "glamour": "Glamour is a charm on the eyes, causing them to see things different from what they are in reality." [Laughter.]

With that definition I am willing to call her "the glamour girl of Connecticut."

Mr. President, she is capricious, she is fickle. She quit her husband, she quit the DAR, she quit the church of her childhood, she has quit politics. The dear old girl from Connecticut just will not stand.

Mr. President, it is not my purpose at this time to review the mean, dirty, subtle, libelous attacks made on my colleagues in this scandal sheet. I think the most severe attack was made on my good friend the Senator from Tennessee. Some of the statements made about my good colleagues are so vile, vicious, and unthinkable that I am sure every Member of this body, regardless of his party affiliation, resented those infamous attacks.

The Members of the Senate who are not up for reelection this year may feel comfortable and relieved that they were not held up to public scorn and condemnation as some of us were by the Luce family and Life, but I should like to make this observation: Their time is coming. [Laughter.] I will be sitting around here in the Senate listening to what they say about some of my colleagues 2 years from now when they come up for reelection.

I shall let my colleagues who have been attacked answer for themselves, but I cannot let the attacks on myself go unanswered. It will be noted that notwithstanding the introduction to this article in which it was said that Life wanted to help the American people improve on their Senators, and that it would give a review of the intelligence and capacity of the Senators—note that—yet when they reached my name in their dirty, contemptible article they said nary a word about my intelligence or capacity. They proceeded at once to make dirty, scandalous references, repeating lies that my political enemies used against me 25 or 30 years ago. But I am still here. They made dirty and unfair references about matters which had been threshed out on every stump in Mississippi and about which the people of Mississippi had passed judgment by electing me lieutenant governor, and twice governor and twice United States Senator; and now they are ready to elect me again, to serve a third term as Senator, on the second day of July. Those were elections in which 200,000 or 300,000 people participated, not the little handful that some newspapers talk about. They were men and women who are educated, cultured, refined, and who are qualified to vote. Mr. President, I am sure you understand that in Mississippi we do not let anyone vote unless he is qualified. The other day in New York I told a friend of mine, "I have almost reached the point where I am in favor of a law which will provide that no man or woman in the United States shall be permitted to vote unless he or she can read and speak the English language." Mr. President, what do those who cannot read or speak English know about American principles, American ideals, and our great dual constitutional scheme of Government? They know nothing about it. They are voted like sheep—in blocks.

Today our country is flooded with all the refugees and rabble of war-torn Europe. Recently I was informed by one of the immigration officers that today there are between 5,000,000 and 6,000,000 men and women in this country illegally. When I come back here after July 2 I shall see whether we can do something about getting rid of them and deporting them. They are contaminating.

Mr. President, the article in Life said that "Bilbo has been sent to jail." Yes, I have—but it was not for any crime or for any charge involving moral turpitude. I went to jail on an order of a political judge on contempt charges because I would not tell and would not violate my sacred obligation as an attorney at law. I have been elected three times, once as governor and twice as United States Senator, since that episode. The people

of Mississippi know that I will do to trust because I will go to jail before I will tell.

Mr. President, John Bunyan went to jail. John Milton wrote *Paradise Lost* in jail. The Apostle Paul went to jail. Tom Paine wrote the *Age of Reason* in jail. Jefferson Davis went to jail. "Skinny" Wainwright went to jail. While I am not making any comparisons, many of the great men of history—men whose life services blessed the human race—were sent to jail, not for crimes, but for principles.

Life says that I was discredited as a complainant in a bribery scandal, and voted by my colleagues as unfit to sit with honest and upright men in a legislative body. This episode to which Life refers took place 36 years ago, when a handful of my political enemies passed a resolution because I had exposed fraud and corruption in a senatorial election. Life did not tell its readers that, as a result of that unrighteous attack, I beat the field in the election for lieutenant governor the next year in the first primary, and a newly elected State senate proceeded to repudiate the attack which had been made. Mr. President, here is a copy of the resolution denouncing and repudiating that unrighteous attack which had been made by a handful of my political enemies. Life did not say anything about it. Life did not, in fact, say a word about it. Mr. President, listen to this:

Whereas the message of Lt. Gov. THEODORE G. BILBO to this body on yesterday was couched in language that cannot in any manner be offensive to any fair-minded and conservative citizen, exhibiting, as we believe, the right spirit in urging harmony and stressing the necessity of concentrating our efforts in securing beneficial legislation so devoutly to be wished for by all patriotic Mississippians: Therefore be it

*Resolved by the Senate of Mississippi, That this body is in sympathy and accord with the patriotic ideas set forth in the address of its esteemed presiding officer.*

Mr. President, I wish now to read the following resolution which was introduced by Senator Bailey, of Mississippi, and, upon his motion, adopted by the Mississippi Senate:

Whereas the message of Lt. Gov. THEODORE G. BILBO to this body on yesterday was couched in language that cannot in any manner be offensive to any fair-minded and conservative citizen, exhibiting, as we believe, the right spirit in urging harmony and stressing the necessity of concentrating our efforts in securing beneficial legislation so devoutly to be wished for by all patriotic Mississippians: Therefore be it

*Resolved by the Senate of Mississippi, That this body is in sympathy and accord with the patriotic ideas set forth in the address of its esteemed presiding officer.*

*Resolved, second, That guided by the fact that a man's neighbors know him best, tested by the unanimous vote of the box near where he was born and reared, and the almost entire vote of the county in which he resides, and also by the courteous and able manner in which he has discharged the duties of president of this senate, we have no hesitance in giving expression to our confidence in the integrity, patriotism, and honesty of purpose of Lieutenant Governor BILBO, and we take this occasion to commend him as worthy and deserving of the confidence and esteem of all good citizens of this Commonwealth.*

That resolution may be found on page 31 of the Mississippi Senate Journal, regular session of 1914, proceedings of January 7, 1914.

Mr. President, Life did not print that resolution. Life was not looking for it.

Later, at the close of my term as lieutenant governor, one of my worst enemies on the floor of the Senate, whose name was Greaves, submitted the following resolution:

Whereas the Mississippi Senate was convened on the 6th day of January 1914 and have been in constant session for 85 days, and this being the day set by both houses for final adjournment, and the senate keenly appreciating the splendid, magnificent, and unsurpassed service which has been rendered by the efficient officers and employees of this body, we extend to our beloved lieutenant governor our heartfelt appreciation for the manly, upright, fair, and courageous manner in which he has presided over this body. We unhesitatingly say that he has made one of the most efficient, fearless, and capable lieutenant governors that the State of Mississippi has ever had. Absolutely dealing fair and impartially with all persons and questions coming before him as the presiding officer of this body.

*Resolved, second, That guided by the fact that a man's neighbors know him best, tested by the unanimous vote of the box near where he was born and reared, and the almost entire vote of the county in which he resides, and also by the courteous and able manner in which he has discharged the duties of president of this senate, we have no hesitance in giving expression to our confidence in the integrity, patriotism, and honesty of purpose of Lieutenant Governor BILBO, and we take this occasion to commend him as worthy and deserving of the confidence and esteem of all good citizens of this Commonwealth.*

Senator Greaves, of Mississippi, submitted the resolution and, upon his motion, it was agreed to. It may be found in the Mississippi Senate Journal, regular session, 1914, at page 1486, proceedings of March 28, 1914.

Life would have their readers believe that the secret of my popularity in Mississippi with the people is playing on their prejudices about Wall Street, Negroes, and the North. A bigger lie than this statement has never been published. In this statement Life has exceeded the records made by Walter Winchell and Drew Pearson for lying. And that is bad enough. [Laughter.]

Mr. President, I am the first man since the Civil War to be elected Governor of my State without ever having mentioned the name of Negro or nigger. The Negro churches in many parts of the State held prayer meetings for my election because I made no mention of the race question in my campaign speeches, and they rejoiced when I was elected. The Negroes in Mississippi are my friends, and I am a friend to Negroes everywhere. They are entitled to fair treatment and economic opportunities, but I believe in white supremacy and I am against racial social equality between the two races. I am not in favor of either the mongrelization of the Negro race nor of my own white race. Herein lies the secret of the opposition which I have received from both Time and Life magazines which are owned and operated by Papa Luce and fickle Clare. They are in favor of so-

cial equality with the Negroes. Why, fickle and capricious Clare is so strong in her negrophile tastes, inclinations, and preferences that she will pass up all the white millinery shops in Washington and seek out a Negro joint to buy a hat, and then while wearing her new Easter bonnet, have her picture made with the Negro proprietor of the shop.

It is not necessary to mention Life's reference to my reply to an insulting letter which I received from the little girl in New York. That has been explained a thousand times and in a thousand different ways. But I might say in passing that practically all the splendid Italian citizens of my State are strong for BILBO, and most of them think I was right when I wrote the Brooklyn girl.

To cap the climax, Life quotes one of my colleagues in a statement that he made in a letter by request for publication. The rules of the Senate prohibit me from answering my colleague's statement at this time. However, I will give him attention through the same medium—the press—through which he made his attack on me and I will do it in due time and ancient form. Watch the papers. His name is TAFT.

The opinion of the Luce family is that BILBO is the worst man in the Senate. I should be proud of this classification for they did put me at the head of the class. I should feel fortunate because they did not say I was weak, ineffective, and had no force nor fury.

I sometimes swell with importance and secretly think that I must be doing good for my country and for my people—must be getting results—when the rumor continues to go around that certain minorities and pressure groups of the North are planning to send a million dollars to my State to defeat me this summer. I know that if I did not amount to anything and was not standing in the way of some people and some things, they would not care how long I stayed in the Senate.

Life may think I am "bad" now, but when I am reelected in July and map out my plans for good government for the next 6 years, they will think that I was an angel before but a devil now. [Laughter.]

Life has not been alone in the vicious smear campaign waged against me because of my racial views and my convictions about our dual system of constitutional government, and the American way of life. Even in the city of New York, six daily newspapers have joined in the chase, and here they are: The Post, the News, the People's Voice, the Amsterdam News, PM, and the Daily Worker.

One of these New York newspapers went down to Mississippi and hired a little Negro social equality renegade from Louisiana to write a series of lying articles denouncing BILBO.

The Post-Dispatch of St. Louis, Mo., joined the pack of dirty hounds.

Communistically inclined newspapers of Chicago and other cities, and mongrelized papers of Los Angeles, Calif., fell in line to crucify BILBO with their lying smear. Why even in the "city of



brotherly love"—dear old Philadelphia—the Republican Inquirer, of Moe Annenberg fame, and the Jewish-owned, New Deal Philadelphia Record gathered their mud buckets and tried to bespatter the name Bilbo in the minds of their readers, thinking that the good people of Philadelphia would never have the opportunity to know the truth about Bilbo. The Philadelphia Record was so hell-bent in prosecuting the communistically conceived campaign to destroy Bilbo because of his views that the editor, "Stinking" David Stern, sent his political writer, "Skunky" O'Neil, to Mississippi where, for weeks, he crawled in the gutters and sewers of Mississippi's political slums, and then published a series of scandalous and libelous lies and concoctions that had been conceived and perpetrated by my political enemies 30 years ago. He then had the audacity to reduce them to pamphlet form, mail them to each Member of this body, and ask my colleagues to read his foul, filthy, lying production.

The decent people of Mississippi have justly been aroused and are sorely resentful of this Nation-wide smear campaign against their senior Senator Bilbo, because they know me as I am, and as I have lived and served. In answer to this smear campaign they have prepared and signed—500 strong—a brief biographical testimonial about Senator Bilbo, his life, his struggles, his services, and what he has meant to them as a citizen and a public official.

Two hundred thousand would have signed this testimonial had they been given an opportunity so to do. The signers of this testimonial came from all parts of Mississippi and from all walks of life, from the pulpit to the streets.

I shall ask to have this testimonial printed in the RECORD as a part of my remarks. Anyone can read it in less than 30 minutes, and if Senators want to know the truth about the senior Senator from Mississippi when they read it they will understand as they never did before why the people of Mississippi have honored me more than any other man in the history of my State. Mississippi was admitted to the Union in 1817, or 129 years ago, and I have received more honors at the hands of my State than any other man living or dead. I ask permission to make this testimonial a part of my remarks in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The testimonial is as follows:

The undersigned men and women of Mississippi who are personally familiar with the life and record of United States Senator THEODORE G. BILBO present to the Nation this brief sketch of the life and accomplishments of the senior Senator from Mississippi. Within recent months, Senator Bilbo has been attacked by Negro groups, Negro newspapers, Communist fronts, Communist newspapers, and certain radical and so-called liberal newspapers and publications because of his heroic fight against social equality between the white and black races in the United States and against alien ideologies and concepts of government designed to destroy our American dual system of constitutional government, our American freedom, and our American way of life. The fol-

lowing testimonial was inspired and prepared because of and in answer to this smear campaign against our senior Senator:

THE SENIOR SENATOR FROM MISSISSIPPI,  
THEODORE G. BILBO

For more than three decades now, the career of Senator THEODORE G. BILBO has been interwoven with the history of Mississippi and the South. His present position of responsibility and service is in keeping with his 38 years of progressive public life, during which time his record of service to his people is unexcelled in the history of this State.

The son of pioneer Mississippians, Senator Bilbo was born on the 13th day of October 1877 at Juniper Grove, 5 miles south of Poplarville, in Pearl River County, Miss. As a boy working on his father's farm, he had dreams of life in politics. He loved the farm, but he knew that his first ambition was to serve in public office.

He entered the Poplarville High School at the age of 15 in the third grade. In the next 4 years he made the 10 grades and finished the high-school course. From 1897 to 1900, he attended the University of Nashville, Peabody College, where he received his literary education. While studying at Nashville, he worked as a "news butcher" on a railroad and ran a laundry agency to help with the expenses of his education.

Returning from college in the spring of 1900, Senator Bilbo taught school for 5 years. From 1905 to 1907, he studied at the University of Michigan and Vanderbilt. Returning to Poplarville from Vanderbilt in 1907, he announced as a candidate for the State senate. In that race he was elected over strong opposition by an overwhelming vote, carrying all five of the counties in his district. From then on he made an outstanding public record, the high points of which are as follows:

- 1907: Elected to State senate.
- 1908-12: Served in the Senate of the Mississippi State Legislature.
- 1908: Opened law office in Poplarville—practiced law while serving in the State senate.
- 1910: Spoke throughout the State exposing the secret caucus of 1910.
- 1911: Elected Lieutenant Governor.
- 1912-16: Served as Lieutenant Governor—practiced law.
- 1915: Elected Governor.
- 1916-20: Served as Mississippi's World War I Governor.
- 1920-28: Practiced law.
- 1927: Elected Governor the second time.
- 1928-32: Served as Governor.
- 1932-33: Practiced law.
- 1933: Accepted position with Department of Agriculture in Washington.
- 1934: Elected to the United States Senate.
- 1935: Served first term in the Senate.
- 1940: Re-elected to the United States Senate.
- 1941 to present: United States Senate.

From the first day of his public career until now, Senator Bilbo has always made his decisions openly and frankly, took his stand on the side of the average man, and never hesitated to fight for his cause with all the strength at his command, even though he had to fight alone. One of his first acts upon entering the State legislature was to lead a fight to rout the railroad lobby which had been hovering over the legislature for half a century, and also to equalize the representation of the State, in the legislature.

Following his first session in the legislature, Senator Bilbo went to the University of Michigan to do graduate work in the school of law. He returned to open his law office in his home town, Poplarville. It was the second session of the legislature in 1910 which brought him into the limelight before the people of the entire State.

During this session, Senator Bilbo led the fight to establish the great teachers' college at Hattiesburg, which is today known as the Mississippi Southern College; creation of a consolidated school system in Mississippi; and the establishment of agricultural high schools at which time very large areas of the State did not have high-school facilities.

The now-famous secret caucus of 1910 also occurred during his second session of the legislature. At the conclusion of this caucus which lasted 57 days and nights the legislature chose Hon. Leroy Percy as United States Senator over former Gov. James K. Vardaman. When the caucus closed, Senator Bilbo took the stump and carried to the people of Mississippi the story of what had happened behind the closed doors. He exposed men and events to the light of truth, and his speeches, fortified with undisputable facts, rocked Mississippi politically. This first State-wide tour gained for him the reputation of being the best public speaker and most forceful orator in Mississippi—a title which he has held throughout the years.

It was in these speeches 35 years ago that the so-called bribery incident was thoroughly expounded before the voters of Mississippi. We mention this happening because certain northern Negro and radical newspapers have played this incident up as a part of their current smear campaign against the senior Senator from Mississippi. In these recent attacks on Senator Bilbo the 1910 incident has been twisted, the facts ignored, manufactured, and a false and erroneous story concocted.

Those making the smear attacks have failed to mention that the only part played by Senator Bilbo was an honest and successful effort to expose those persons offering and paying bribes and that everything connected with the incident was done with the advice and consent of some of Senator Bilbo's friends, one of them being a judge of the circuit court.

Largely as a record for the meritorious service rendered the State in connection with the secret caucus and the so-called bribery incident, Senator Bilbo was honored by the voters of Mississippi the next year by electing him as Lieutenant Governor; and 4 years later, because of his outstanding record and progressive platform, the people elected him Governor.

It was on the 18th day of January 1916, that THEODORE G. BILBO was inaugurated for the first time as Mississippi's chief executive.

During the first Bilbo administration, there was more worth-while and beneficial legislation passed for the interest and welfare of the average people of the State than in any previous 4-year period. The following are the major accomplishments of the first Bilbo administration:

1. The erection of the Charity Hospital at Laurel.
2. The Tubercular Sanatorium at Magee, which is one of the finest hospitals for the treatment of tuberculosis in the United States, was established.
3. The establishment of the industrial training school at Columbia where our wayward youths are trained and converted into good citizens.
4. Creation of the Mississippi State Tax Commission, the purpose of which was to equalize the tax burdens of the State.
5. The abolishment of the iniquitous fee system, a relic of the reconstruction, which saved the taxpayers a half million dollars during the 4 years.
6. Creation of the board of legal examiners that reinstated and maintained the legal profession upon its proper plane of dignity and honor.
7. Establishment of a board of pardons.
8. Creation of the State highway commission, saving millions of dollars to the taxpayers in the construction of roads and

bringing \$5,000,000 from the Federal Government as well as \$2,000,000 worth of road-building materials.

9. The uniform negotiable instruments law which placed Mississippi business interests upon an equal footing with those in the other States in the Union.

10. The blue-sky law, protecting the people against bogus stock sellers.

11. Lime-crushing plants at Okolona and Waynesboro to give farmers crushed lime rock at cost.

12. A State-wide dipping law, increasing the value of Mississippi cattle more than \$12,000,000 upon the lifting of the Federal quarantine and preparing the way for the great livestock industry in this State, which is now being realized.

13. Restoration of the old Capitol Building at Jackson, giving the State a second Capitol Building worth more than a half million dollars. (The legislature appropriated \$125,000 for this undertaking, but under Governor Bilbo's personal supervision the job was completed and \$3,000 was turned back into the treasury, this being the first time in Mississippi history that money was saved from any project and returned to the State treasury.)

14. As commander in chief of the army and navy and head of the State's military organizations, Governor Bilbo gave full co-operation to the Federal Government in enforcing the selective draft law and in giving Mississippi's full support to World War I in such a manner as to make Mississippi one of the four banner States of the Union in co-operating with the Federal Government in the prosecution of the war.

15. The building of the centennial exposition, which, because of the World War, was converted into a great naval training station, preparing boys for the merchant marine. (The Federal Government refunded to the State the \$125,000 which had been invested in this project and later converted these facilities into a great Federal veterans' hospital for the treatment of the mentally sick.)

16. The purchase of the State farm at Lambert of 5,000 acres for \$134,000, and which was worth more than a million dollars at the close of the administration.

17. The construction of two new dormitories which were built by public subscription of funds at the old soldiers' home, admitting 60 more Confederate soldiers and their wives to the benefits of the home.

18. Abolition of public hanging in Mississippi.

19. Legislation to protect newly born infants from blindness.

20. Retiring the State's accumulated debt with a serial bond issue and placing the State's finances upon a business basis.

21. Organization of the council of defense.

22. Extending the right of franchise to our soldiers and sailors and suspending their debts while fighting the battles of this Nation.

23. The enactment of a home printing bill.

24. A law authorizing nine jurors to return verdicts in civil cases.

25. Exemption of the shipyards from taxation to encourage the development of this industry along Mississippi's Gulf coast.

26. The creation of an education commission to codify, reorganize, and systematize our school laws.

27. The initiative and referendum to give the people the right to approve the acts of the legislature and to initiate their own laws.

28. Increasing the representation of south Mississippi.

29. An increased appropriation for public schools and for Confederate pensions.

30. Passage of the antilobby law.

31. Perfecting the prohibition clause by passage of the bone-dry law and being the first State in the Union to ratify national prohibition.

32. Rebuilding the deaf and dumb institution which had been practically destroyed by cyclone.

33. Creation of the Mississippi Plant Board to protect and encourage the nursery interests of the State and to free farmers from destructive ravages by insects, worms, etc.

34. Amendment of section 206 of the constitution to make possible a more equitable distribution of the public-school fund and to increase the pay of the teachers of the State.

35. Establishment of the Mississippi Illiteracy Commission, the purpose of which was to carry on a State-wide campaign for the eradication of adult illiteracy in Mississippi.

36. The preparation of the report and bill for the establishment of the feeble-minded home at Ellisville, which was approved and passed immediately by the incoming legislature just after Senator Bilbo left the Governor's office.

Senator Bilbo's friends and political foes agree that his career has been both dramatic and colorful. An incident which occurred in 1923 has within recent months been used in the "smear" campaign against Senator Bilbo by certain northern newspapers and magazines, mostly by those that are communistic and radical. This political "smear" effort has made reference to the fact that the Senator served a jail sentence. Every person in Mississippi has known for 22 years that this is true. Senator Bilbo's accusers of various colors and political affiliations fail to explain the facts and conditions connected with his being sent to jail. He was not sent to jail for any crime, but was sentenced by a Federal judge on a charge of contempt of court because the Senator refused to go into court as a witness in the noted Birkhead-Russell seduction case. In other words, Senator Bilbo was sent to jail because he would not violate a professional confidence and tell all he knew about the social affairs of another person.

Four years after this jail incident, Senator Bilbo was reelected Governor of Mississippi and served his second term as chief executive from 1928-32. When he won this campaign, he broke another precedent to become the only man in the history of Mississippi to be elected by the people to the governorship of the State for a second 4-year term.

The gubernatorial campaign of 1927 was one of the most heated contests that Mississippi has ever known. In the first primary of this campaign, Senator Bilbo led his nearest opponent by some 65,000 votes, which is the largest first-primary plurality ever accorded a candidate for Governor in Mississippi. Immediately after his election as Governor for the second time, however, his political enemies succeeded in organizing the house of representatives of the State legislature against him, and he was unable to obtain the necessary cooperation from this branch of the legislature in order to carry out his constructive and progressive platform.

In addition to the fact that the house of representatives of the legislature was organized against him, definitely determined for political reasons to wreck his administration, Senator Bilbo entered the Governor's office the second time on the eve of one of the worst panics that this country has ever known. Even before the crash of 1929, just as the blighting winds of the great depression which was to imperil the very life of this Nation was being felt, Senator Bilbo realized that something must be done to safeguard the financial condition of the State. From the very first of his administration and throughout the 4-year period, he pleaded with the legislature to pass a sales tax law. He was aware that the State's finances were in a critical condition, and he knew that the safe and only solution to the problem at that time was a sales tax.

His pleas for a sales-tax law during the first session of the legislature failed to bring any response whatsoever. However, during the second session he succeeded in securing a one-fourth of 1 percent sales-tax law in order to test the volume of income which could be obtained from this source. The amount of this tax was insufficient, of course, but Senator Bilbo had at last convinced the legislature that the sales tax was the way to meet the financial problems of the State.

Immediately after his term ended, the successor to Governor Bilbo was successful in securing the passage of a 2-percent sales-tax law, and the State was soon on a sound financial basis. Thus, Senator Bilbo pointed the way and did the groundwork which resulted in the salvation of the State's financial difficulties.

During this second term as Governor, Senator Bilbo advocated and urged the passage of numerous progressive measures, all of which had been endorsed by the people as a part of the platform upon which he had been elected, only to have them defeated by the lower branch of the legislature which was thoroughly organized against him.

Two of the proposals which meant most to Senator Bilbo were repeatedly killed by the house of representatives, the \$82,000,000 highway bill which called for a network of concrete roads for Mississippi, and the bill which called for free school books, both of which were subsequently enacted into the laws of the State.

Regardless of the fate of many of his outstanding proposals at the hands of the legislature, Senator Bilbo did succeed in passing a number of important measures during his second term as Governor. He secured the necessary \$2,500,000 to complete the State hospital at Whitfield, which is one of the finest hospitals for mental patients in the Nation. He obtained a half million dollars for the feeble-minded home at Ellisville and with these funds improved and completed the institution. He also had the tubercular sanatorium at Magee greatly enlarged and beautified. Every citizen of Mississippi will bear testimony to the improvements which Senator Bilbo brought about at all the eleemosynary institutions in Mississippi, and he probably did more for all of our charitable institutions than any other Governor in Mississippi history.

Senator Bilbo was elected to the United States Senate in the summer of 1934, and was reelected in 1940. His present term expires in January 1947. He is a candidate to succeed himself and thus remain in the Senate.

Serving in the Congress of the United States as Senator, Bilbo has added much distinction to his record of public service and achievement. Determined, resourceful, and unswerving from his pledge to the voters of Mississippi, Senator Bilbo has, on all occasions, helped to enact laws and formulate policies for the welfare and best interest of the people.

In his first campaign for the Senate in 1934, long before the war was upon us, Senator Bilbo declared that he favored and would work for the development and maintenance of the largest and best Army, Navy, and Air Force in the world. During the years of World War II he worked for and supported measures and appropriations for the armed forces and helped realize his promise of the greatest Army and Navy on earth for Uncle Sam.

Since he has been in the Senate, Senator Bilbo has sponsored much progressive and worth-while legislation. However, if any one particular measure is to be singled out above the others it would probably be the bill which he authored and sponsored creating the research laboratories for the four great agricultural regions of the United States. Within these laboratories, erected at a cost of \$4,000,000 and located at Philadelphia, Pa.,



Peoria, Ill., New Orleans, La., and San Francisco, Calif., some 1,000 chemists and specialists are now discovering the marketable byproducts of the leading agricultural crops of these four regions. It has been generally agreed that Senator BILBO's plan of chemurgic research is the greatest permanent solution ever offered for the agricultural problems of this Nation.

During the recent war period, these laboratories were centers of research dedicated to the war effort, and during this time a discovery was made at the Peoria, Ill., laboratory which has more than justified every dollar spent on these centers. Dr. Coghill, the mold expert of Peoria, working in one of these laboratories, found a process by which that wonder drug of all the ages, penicillin, could be made on a wholesale basis. As a result of this discovery, penicillin is now available saving untold millions of lives today and will continue to do so in the years to come. Also in recent months the New Orleans laboratory has announced to the world a process which will prevent mildew and rot of cotton fabrics. This discovery will greatly increase the uses for cotton and expand the market for this money crop of our farmers.

During his first term in the Senate, Senator BILBO carried on a successful fight to place the responsibility for flood control upon the shoulders of the Federal Government. He was able to secure an amendment to the Omnibus Flood Control Act of 1936 which resulted in a saving of millions of dollars to landowners along the Mississippi River. He fought for the passage of the Bankhead-Jones Act, under which loans are granted to farmers who want to purchase land. He supported the Works Progress Administration, the Social Security, Farm Security, Agricultural Adjustment Administration, Civilian Conservation Corps, Federal Housing, Tennessee Valley Authority, Rural Electrification, and the National Youth Administration. Programs to provide assistance for the aged, the poor, and the underprivileged have always received the untiring assistance and support of Senator BILBO.

During the years of World War II, which came during this, his second term in the Senate, Senator BILBO has devoted his best ability and effort to promoting the war effort. All measures and appropriations necessary for carrying on the war on the many battlefields around the globe received his full efforts for a practical program for the reconversion of this Nation to a peacetime basis and for the many benefits of the veterans—the men who fought this war and who deserve the credit for the great victory which is now ours.

In the days of 1944 and again in October of this year, Senator BILBO fought alone against the land-grant-railroad bill which proposed to nullify all reduced rates that the Government has been receiving from the railroads in return for 179,000,000 acres of the people's land granted to the railroads. This land, enough to make 14 States of the American Union, was given to certain of our railroads during the early days of their development. The Senator spoke 2 days against this measure and succeeded in obtaining an amendment to postpone the effectiveness of the law until October 1946. This year's delay together with the 11 months' delay brought about when he killed the bill by a threatened 30-day filibuster in December 1944, amounted to a saving of approximately \$500,000,000 to the taxpayers of this Nation. In other words, Senator BILBO prevented this bill from becoming a law for 23 months during which time a half billion dollars is being placed in the Treasury of this Nation to the credit of the taxpayers.

In addition to the many beneficial and worth-while measures which Senator BILBO has sponsored and helped pass through the Congress, he has successfully defeated a number of bills designed to destroy southern ideals and customs and the rights of the

sovereign States of this Republic. The anti-lynching bill, the anti-poll-tax bill, and the Fair Employment Practice Committee are three of the most infamous pieces of legislation which have gone down in defeat largely because of the BILBO astuteness and filibuster.

The anti-poll-tax bill, which is an attempt to rob the sovereign States of the constitutional right to determine the qualifications of electors within their own borders, has twice been defeated by a filibuster conducted by southern Senators, led by Senator BILBO.

In June 1945, Senator BILBO filibustered against the appropriation for the Fair Employment Practice Committee and succeeded in practically killing this un-American Committee which is nothing more than a communistic-inspired, cleverly designed attempt to legislate social equality and to promote the scheme for the mongrelization and intermarriage of the white and Negro races in this Nation.

Senator BILBO is chairman of the Senate Committee on the District of Columbia which makes him the mayor ex officio of the city of Washington. As chairman of this committee, the Senator sponsored a program for slum clearance in the Nation's Capital, and a bill designed to accomplish this result has already been passed by the Senate. He advocated and urged a great medical center for the city of Washington, and with Senator TRYBING of Maryland was the joint author of the bill providing for this hospital.

A member of the Senate Committee on Commerce, Senator BILBO is now the second ranking Democratic Senator on this important committee. In this capacity, he led the fight and secured the passage of the bill providing for the Tennessee-Tombigbee Inland Waterway by the Commerce Committee, and it is now generally conceded that this measure will eventually be approved by the Congress. Senator BILBO also led the fight in the Commerce Committee to give the United States a regulative competitive aviation policy and to keep this great service out of the hands of a monopoly. He is now chairman of the Commerce Subcommittee on Rivers and Harbors.

Senator BILBO is the fourth ranking Democratic Senator on the all-important Agriculture and Forestry Committee. As a member of this committee, he has helped pass all necessary and remedial legislation for the relief and aid of the farmers since 1935. He is also a member of the Pensions Committee, the Library Committee, the powerful Rules Committee, and is chairman of the special committee created by the Congress to build a memorial stadium to the veterans of World War I and World War II.

The laboring man has found in Senator BILBO a constant and uncompromising friend and has always received the Senator's valuable cooperation and help. His first significant act on behalf of labor came during his first administration as Governor when he settled a strike on the Gulf & Ship Island Railroad in 2 hours. When requested by the railroad to call out the National Guard to break the strike, he declined and told the railroad officials that they should pay their employees a just and decent wage. They promised this higher wage to the workers, and the strike was over in 24 hours. His record during the 28 years that he has held public office proves that Senator BILBO has always been the true friend of labor.

As the senior Senator from Mississippi, Senator BILBO continues to serve his people. From the legislative halls of the capitol in Jackson to the United States Senate, he has worked and fought for the best interests of his people. His record is an open book before the people of Mississippi who have honored him time and time again with their suffrage. He has served long; he has served well.

The citizens of Mississippi know and realize that since the year 1908 the vision, clear thinking, and energetic determination of THEODORE G. BILBO have been inseparably linked to the progress, welfare, and happiness of our State.

Senator BILBO has obviously and consistently fought against all efforts to destroy segregation of the Negro race and the promotion of social equality of the white and black races. However, he has never preached hatred toward any race or minority group of American citizens. He has found it necessary to denounce certain individuals, gentle and Jew, white and black, who have attacked him because of his stand against the anti-poll-tax bill and the Fair Employment Practice Committee, but his denunciation has been directed toward the individual, not against the race or nationality to which that particular person belonged.

Certain pressure groups and newspapers have called upon the people of Mississippi to repudiate Senator BILBO because of his views on white supremacy. The truth of the matter is that Mississippians are probably more thoroughly in accord with Senator BILBO on this issue than upon any other question or policy. It is safe to say that 99 percent of all white Mississippians completely agree with the senior Senator in his fight to preserve and protect white supremacy and the southern way of life, and in his opposition to the Fair Employment Practice Committee which is designed to promote and encourage social equality of the white and black races in the Southland and throughout the United States.

Senator BILBO believes that Mississippi has the right to retain the poll tax as long as Mississippi sees fit to do so. Until our own people, through our State legislature, abolish this tax, it must remain with us. He contends that Congress has no right to pass the so-called anti-poll-tax bill which would reach down into the prerogatives of the sovereign States to interfere with the franchise laws. He has successfully fought the efforts to "cram" this piece of legislation down the throats of the people of Mississippi and the other Southern States ever since he has been a Member of the Senate, and he will continue to fight them in the future.

The Senator's public record, especially as Governor of Mississippi for years, proves that he has always been the Negro's friend and has done much to better the condition of the colored citizens of our State. It was his desire to permanently solve the race problem of this country and to build a nation for the Negroes in the land of their forefathers which prompted Senator BILBO to introduce in the Senate in 1939, a bill for the voluntary resettlement of American Negroes in West Africa. He presented this bill to the United States Senate in response to the request of some 3,000,000 American Negroes who signed a petition asking that they be given an opportunity to go to Africa where they could establish a country of their own.

Everyone familiar with Senator BILBO's public record knows that there is nothing whatsoever to give foundation for the charges which have been made against him by northern individuals and newspapers who oppose the stands which he has taken in the Senate. These groups and individuals, have called for his defeat at the hands of the voters of his State. But the citizens of Mississippi will not be misled by this smear campaign by such scandal mongers. We in Mississippi know Senator BILBO's record; we know what he stands for; we know what he has done for our State and Nation. Furthermore, we do not need any outside group or individual or newspaper columnist or radio commentator to tell us how to vote in 1946 or at any other time.

It has been frequently predicted that the Negroes and Communists of the East are planning to put a million dollars in Mississippi to defeat Senator BILBO in the primary

election next summer. We, of Mississippi, know the voters of this State. These groups of Negroes, reds, pinks, and Communists of the North and East do not have enough money to buy an election in Mississippi. The Mississippi voters are not for sale.

Senator Bilbo believes in the ideals of the white South; he speaks those views in no uncertain terms; he fights for his convictions with all the strength at his command. He has not only proved that he will fight alone but that he can fight successfully.

The senior Senator from Mississippi stands as a strong and powerful figure between the white South and her enemies. He dares to speak openly and frankly what others only think or speak in whispers. He has the courage to back his words with action; he does not flinch or hesitate before his attackers but from their accusations seems to draw renewed strength to fight for his convictions. The Negro social-equality advocates who are seeking to destroy our American dual system of constitutional government may make their picket line a mile long in front of Senator Bilbo's home but he will continue to fight.

The Senator is a member of the Baptist Church, and during recent years the building of Juniper Grove Church, the old home church of his father and mother which they helped to organize and always loved, and pastor's home, has been one of the projects dearest to his heart. He belongs to every branch of the Masonic Order up to the thirty-second degree—a Shriner. He is an Elk and is an honorary member of Sigma Delta Kappa legal fraternity. When not in Washington he resides at his home known as the Dream House on his Pearl River County farm near Poplarville, Miss.

Throughout his political career, Senator Bilbo has been an exponent of the cause of the common people; he has always been the friend of the farmers. As the champion of the average citizens of his State, he has fought their battles, and no one has ever accused him of deserting them. The people of Mississippi have honored him with their ballots as they have never honored another son—State senator, lieutenant governor, twice governor, and twice United States Senator.

L. H. Holliday, Poplarville, Miss., sheriff; N. C. Rouse, Poplarville, Miss., chancery clerk; A. A. McGehee, Poplarville, Miss., O. D. S.; H. K. Rouse, Poplarville, Miss., State senator; Thomas A. Holliday, Poplarville, Miss.; Pate Lumpkin, Poplarville, Miss., member, board of supervisors; Sol Burge, Poplarville, Miss., member, board of supervisors; Barney Whitfield, Picayune, Miss., mayor of city; C. A. Baughman, Picayune, Miss., member, board of supervisors; Ralph Stockstill, Picayune, Miss., member, board of supervisors; J. Benton Suel, Picayune, Miss., member, board of supervisors; J. P. Stewart, Picayune, Miss., lumberman (retired); Hilbert Savage, Corinth, Miss.; L. W. Perkins, Corinth, Miss., druggist; J. B. Spann; J. T. Harris; Nat W. Bynum; Mrs. Sue Bynum; O. L. Clark; E. H. Meeks; W. O. Harris; W. F. Seago; Drew J. Wall, McComb, Miss., member, Mississippi Legislature, 1916-20; Hansford L. Simmons, McComb, Miss., member, State senate, 1928-32, 1936-40; Flim B. Rush, McComb, Miss., businessman; C. C. Davis, Philadelphia, Miss., retail druggist; W. R. Lewis, Philadelphia, Miss., retired timberman; Marvin B. Henley, Philadelphia, Miss., member of legislature from Neshoba County; H. G. King, Philadelphia, Miss., Ford dealer; R. J. Davis, Philadelphia, Miss., farmer; R. R. Barham, Philadelphia, Miss., farmer; L. M. Munn, Philadelphia, Miss., farmer; W. McArthur, Philadelphia, Miss., planter.

U. L. Busby, Waynesboro, Miss., member legislature, Mississippi; Carlos Trigg, Waynesboro, Miss., ex-chancery clerk, Wayne County, Miss.; Mrs. Lee West, Waynesboro, Miss., farmer; V. B. McWhorter, Waynesboro, Miss., banker; S. T. McIlwain, Waynesboro, Miss.,

doctor; J. I. West, Waynesboro, Miss., phg.; C. J. Jones, Waynesboro, Miss., attorney; C. G. Norsworthy, Waynesboro, Miss., farmer; J. M. Farrior, Waynesboro, Miss., farmer; W. S. Davis, Waynesboro, Miss., attorney; T. O. Slaughter, Waynesboro, Miss., mayor, town of Waynesboro; W. W. Freeman, Waynesboro, Miss., owner, Freeman Funeral Home; Ray Norsworthy, Waynesboro, Miss., farmer; Ulmer Leo Busby, machinist mate 2c United States Navy; Mrs. N. D. Busby, Waynesboro, Miss., housewife; James Walton, Biloxi, Miss., commander, army of the Tennessee; Mrs. N. A. Sellers, Biloxi, Miss., Clay B. Tucker, Woodville, Miss., attorney; Frances Townsend, Woodville, Miss., secretary; L. T. Ventress, Woodville, Miss., president of board of supervisors, Wilkinson County; Jas. Rubearl, Woodville, Miss., member board of supervisors, district no. 3; W. R. Brumfield, Jr., Woodville, Miss., member of board of supervisors, dist. no. 5; W. T. Scott, Woodville, Miss., member board of supervisors, dist. no. 4; Frank Dauquilla, Woodville, Miss., member board of supervisors; Ebuyu Carter, Woodville, Miss., circuit clerk; Claude Henderson, Woodville, Miss., J. S.; James W. Lee, Woodville, Miss., J. P.; R. Whitaker, Woodville, Miss., sheriff, Wilkinson County; H. L. Samuels, Woodville, Miss., superintendent schools; Eddar W. Wright, Centerville, Miss., mayor, protom; John G. Burkett, Jackson, lawyer; Robert Gandy, Jackson, Miss., insurance; Robert M. Newton, Wiggins, Miss., president, Bank of Commerce, Poplarville, Miss., president Newton Naval Stores Co., Wiggins, Miss.; E. R. Smith, Wiggins, Miss., merchant, Wiggins, Miss., president board of supervisors, Stone County.

W. C. Batson, Wiggins, Miss., county attorney, Stone County; D. D. O'Neal, Wiggins, Miss., superintendent of education, Stone County; Hollie T. Bond, Wiggins, Miss., chancery clerk, Stone County; Dr. R. E. L. Stuart, Gulfport, Miss., dentist; T. J. Walton, Wiggins, Miss., farmer and stockman; W. W. Taylor, Wiggins, Miss., mayor, town of Wiggins; C. E. Dees, Sr., Perkinston, Miss., merchant, ex-State senator, member of the board of supervisors, Stone County; U. B. Parker, Wiggins, Miss., lawyer; S. P. Wilson, Wiggins, Miss., druggist; R. J. Watts, Sr., Wiggins, Miss., gas and oil; B. F. Bailey, Jr., Lucedale, Miss., ex-service veterans; Willie Cochran, Lucedale, Miss., farmer; Lyman W. Harvard, Lucedale, Miss., ex-supervisor; T. M. Hempstead, Lucedale, Miss., Farmers Supply Co.; T. L. Taylor, Lucedale, Miss.; W. C. Pippin, Lucedale, Miss., logger and farmer; J. B. Hinson, Lucedale, Miss., ex-marshal and tax collector; H. H. Hinson, Lucedale, Miss., ex-serviceman; C. A. Holland, Lucedale, Miss., undertaker; E. G. Yonge, Lucedale, Miss., supervisor, district no. 1; J. D. Bullock, Lucedale, Miss., farmer; M. L. Maloney, Lucedale, Miss., chancery clerk; C. H. Dole, Lucedale, Miss., insurance agent; W. J. Burke, Lucedale, Miss., supervisor; Col. W. E. Bradford, Fayette, Miss., planter; B. Strong, Fayette, Miss., mayor; Sam Ball, Fayette, Miss., druggist; J. T. Shelton, Fayette, Miss.; M. C. Nevels, Fayette, Miss.

R. L. Montgomery, Fayette, Miss., Fayette Motor Co.; Dave Levite, Jr., Fayette, Miss.; John Pahuka, Fayette, Miss.; S. D. Coleman, Fayette, Miss., chief, police; Herry Cafer, by Harry C. Seeger, Fayette, Miss.; Ciy Smith, Fayette, Miss.; H. B. Porter, Fayette, Miss.; James C. Coleman, Fayette, Miss.; Edwin W. King, Fayette, Miss.; G. P. Gammill, Fayette, Miss.; F. E. Gammill, Fayette, Miss.; Jim Wallace, Fayette, Miss.; A. Hirsch, Fayette, Miss.; B. E. Montgomery, Fayette, Miss.; A. M. McDonald, Fayette, Miss.; Frank Kemp, Fayette, Miss.; L. E. Case, Fayette, Miss.; A. O. Vaughn, Sr., Fayette, Miss.; R. F. Lehman, Fayette, Miss.; W. H. Winters, Fayette, Miss., county superintendent of education; O. E. Hammett, Fayette, Miss., tax assessor; J. M. Johnson, Fayette, Miss., doctor; F. Ruobles, Fayette, Miss., contractor; E. B. O'Quinn, Fayette,

Miss., merchant; John R. Booker, Walnut, Miss.; H. L. Campbell, Walnut, Miss.; Arthur Johnson, Walnut, Miss.; Arlin Medford, Walnut, Miss.; W. V. Pulliam, Walnut, Miss.; O. L. Allen, Walnut, Miss.; J. M. Mohusedro, Walnut, Miss.; F. M. Pulliam, Walnut, Miss.; T. T. Pulliam, Walnut, Miss.; Roy Bennett, Walnut, Miss.; Theron D. Harden, Amory, Miss., publisher, Amory News-Advertiser; R. C. Griffin, Amory, Miss., insurance agent; R. R. Baird, Amory, Miss., druggist; A. L. Brasfield, Amory, Miss., assistant manager, Caldwell Furniture Co.; Fred P. Wright, Amory, Miss., attorney; Kelly Powell, Amory, Miss., employee Frisco R. R.; J. S. Lancaster, Amory, Miss., owner, Mississippi Chemical Supply Co.; A. J. Stant, Amory, Miss.; J. C. Gregory, Amory, Miss., city council; W. L. Lawson, Amory, Miss., automobile dealer; W. R. Burdette, Amory, Miss., Burdette Grocery; J. Taldage Durrett, Amory, Miss., superintendent of Federal conf.; G. N. McKinley, Amory, Miss., manager, Amory Grocery Co.; O. Lantrip, Amory, Miss., grocery, owner; G. A. Knight, Amory, Miss., bookkeeper, Amory Concrete Gravel Co.; J. C. Dunlap, Batesville, Miss., automobile dealer.

F. G. Craig, Batesville, Miss., justice of peace; W. J. Cox, Batesville, Miss., retail druggist; D. S. Irby, Batesville, Miss., Ford dealer; C. C. Holloman, Batesville, Miss., farm implement dealer; A. P. Phillips, Sardis, Miss., wholesale candy; A. B. Friend, Sardis, Miss., engineer; Jas. B. Boyles, Batesville, Miss., lawyer; J. Jordan, Columbia, Miss., merchant; S. N. Dickerson, Columbia, Miss., farmer and ranchman; Geo. F. Newman, Columbia, Miss., contractor; O. J. Foxworth, Columbia, Miss., ex-sheriff of Marion County; W. Q. Speed, Columbia, Miss., Speed Auto Parts, wholesale and retail; Warren Fortenberry, Columbia, Miss.; J. C. Speed, Columbia, Miss.; Milton Mulford, Columbia, Miss.; F. S. Hathorn, Columbia, Miss., lumberman; Mary Hatman, Columbia, Miss., bookkeeper; C. O. Stevens, Columbia, Miss., justice of the peace; T. H. Barnes, Columbia, Miss., chancery clerk; J. E. Forbes, Columbia, Miss., member board of supervisors; J. W. Pittman, Columbia, Miss., circuit clerk; J. T. Tolar, Columbia, Miss., sheriff and J. C.; Sharp Branton, Columbia, Miss., chief police; W. W. Branton, Columbia, Miss., D. D.; J. I. Rayburn, Columbia, Miss., M. B. S.; W. N. Forbes, Columbia, Miss., M. B. S.; Forrest B. Jackson, Jackson, Miss., attorney; Joe M. Abraham, Jackson, Miss.; J. F. Barbour, Yazoo City, Miss., ex-judge seventh judicial district of Mississippi, ex-chairman board of trustees institutions of higher learning of Mississippi, vice president Love Petroleum Co., chairman, board of directors, Delta National Bank of Yazoo City, Miss., attorney and banker; H. T. Barrier, Yazoo City, Miss., member board of supervisors; J. V. Whitaker, Yazoo City, Miss., member board of supervisors; A. N. Nichols, Yazoo City, Miss., member board of supervisors; T. H. Phillips, Yazoo City, Miss., member board of supervisors; Ben F. Middleton, Yazoo City, Miss., county superintendent of education of Yazoo County; F. J. Love, Yazoo City, Miss., chancery clerk of Yazoo County, Miss.; Dave S. Shackelford, Yazoo City, Miss., tax assessor of Yazoo County, Miss.; W. S. Perry, Yazoo City, Miss., sheriff of Yazoo County, Miss.; Mrs. C. H. Fisher, Yazoo City, Miss., circuit clerk of Yazoo County; W. H. Ewing, Yazoo City, Miss., member of legislature; L. M. Coody, Yazoo City, Miss., member of legislature; E. F. Thigpen, Yazoo City, Miss., member of legislature; William W. Pearce, Yazoo City, Miss., nineteenth district, State senator.

C. L. Graehes, Yazoo City, Miss., mayor of Yazoo City, Miss.; R. J. Whelan, Jr., Yazoo City, Miss., member of board of aldermen; Charles D. Hiell, Yazoo City, Miss., member of board of aldermen; R. M. Middleton, Yazoo City, Miss., member of board of aldermen; J. T. Grantham, Yazoo City, Miss., member board of aldermen; J. B. Cobb, Yazoo City, Miss., city clerk of Yazoo City; D. W. Love, Yazoo City, Miss., secretary of chamber



of commerce; W. H. Chilton, Yazoo City, Miss., city marshal; F. H. Griffin, Yazoo City, Miss., pres. Planters Hardware Co.; K. H. Dunaway, Yazoo City, Miss., Dunaway & Bankston; Sue W. Mott, Yazoo City, Miss., Yazoo City Herald; Muse Davis, Yazoo City, Miss., editor, Yazoo City Herald; G. P. LaBane, Yazoo City, Miss., J. P.; H. H. Anderson, Yazoo City, Miss., Anderson Drug Co.; E. A. Smith, Yazoo City, Miss.; E. J. Ferris, Yazoo City, Miss.; D. M. Nicholas, Yazoo City, Miss., Yazoo Motor Company; A. Moses, Yazoo City, Miss., Miss. Tobacco Co.; R. K. Whitehead, Yazoo City, Miss., Miss. Tobacco Co.; W. G. Carr, Yazoo City, Miss., Carr's Drug Store; W. M. Saxton, Yazoo City, Miss., Saxton Gardner Hardware Co.; J. B. Barbour, Jr., Yazoo City, Miss., Saxton Gardner Hardware Co.; W. H. Barbour, Yazoo City, Miss., Saxton Gardner Hardware Co.; Geo. Moses, Yazoo City, Miss.; L. A. Wise, Yazoo City, Miss.; C. Livingston, Yazoo City, Miss., insurance; B. J. Barrier, Jr., Yazoo City, Miss., automobile dealer; W. A. Henry, Yazoo City, Miss.; T. H. Campbell, Yazoo City, Miss.; T. H. Campbell, Jr., Yazoo City, Miss.; Lamar Smith, Yazoo City, Miss., member board of supervisors, Yazoo County; M. T. Reed, Belzoni, Miss.; B. DeVan Hansall, Okolona, Miss., M. D.; John Horan, Water Valley, Miss., lawyer; Rev. Paul N. Harlan, Water Valley, Miss.; L. E. Thomas, Water Valley, Miss., carpenter; C. B. Busby, Water Valley, Miss., sheriff; J. R. Porter, Water Valley, Miss., mechanic; A. L. Poindexter, Water Valley, Miss., sawmill; J. L. Olyshant, Water Valley, Miss., farmer; E. R. Walton, Water Valley, Miss., retired farmer; J. R. McCarty, Water Valley, Miss., merchant; E. R. Perkins, Water Valley, Miss., clerk, farmer; Mrs. E. R. Walton, Water Valley, Miss., housewife; Edith W. McCarty, Water Valley, Miss., bookkeeper; Hamric Henry, Water Valley, Miss., undertaker; W. F. Henry, Water Valley, Miss., retired boiler-maker; Leva Henry, Water Valley, Miss., teacher; Evelyn T. Perkins, Water Valley, Miss., housewife; Mrs. Robert McLarty, Water Valley, Miss., housewife.

W. B. Williams, Water Valley, Miss., farmer; R. W. Tyler, Water Valley, Miss., farmer; A. G. Carter, Water Valley, Miss., insurance agent; H. A. McDonald, Water Valley, Miss., farmer; I. W. Bush, D. D. S., Carrollton, Miss., president Mississippi State Board of Dental Examiners, North Carrollton, Miss.; W. T. Sanders, Carrollton, Miss., merchant; J. M. Corley, McCarty, Miss., Baptist minister; W. T. Terney, North Carrollton, Miss., mayor; W. E. Beck, Carrollton, Miss., merchant; J. L. Ashmore, Carrollton, Miss., farmer; S. E. Moore, Carrollton, Miss., clothing salesman; R. C. Price, Carrollton, Miss., minister, Pentecostal Church; Edwin S. Moore, Carrollton, Miss., Adm. Govt. Employee; C. L. Bennett, Carrollton, Miss., contractor and builder; Jack Willoughby, Carrollton, Miss., carpenter; J. S. Ulanx, Columbus, Miss.; A. J. Rombach, Columbus, Miss.; Jno. B. Sale, Columbus, Miss.; A. D. Myer, Columbus, Miss.; D. W. Mosby, Columbus, Miss.; L. J. Frank, Sr., Columbus, Miss.; J. P., district 2; Ben H. Dee, Columbus, Miss.; T. K. Wells, Columbus, Miss.; W. W. Bush, Columbus, Miss.; Estelle Royals, Columbus, Miss.; Powell Fleming, Columbus, Miss.; Frank Fleming, Columbus, Miss.; F. N. Gerhart, Columbus, Miss.; M. L. Rozenzweig, Columbus, Miss.; Carl McKellar, Columbus, Miss.; Gray McKellar, Columbus, Miss.; Chas. Caldwell, Columbus, Miss.; S. C. Woolbright, Columbus, Miss.; J. A. Wakes, Columbus, Miss.; J. A. Goolbly, Columbus, Miss.; Ralph F. McKinney, Columbus, Miss.; C. P. Nash, Columbus, Miss.; L. E. St. John, Columbus, Miss.; Leslie I. Uondrumfer, Columbus, Miss.; E. C. Otis, Columbus, Miss.; H. Edwards King, Columbus, Miss.; Henry Bowhill, Columbus, Miss.; T. I. Halber, Columbus, Miss.; Ralph F. McKinney, Columbus, Miss.; W. B. Alexander, Cleveland, Miss., lawyer; M. L. Kaupman, Rosedale, Miss., lawyer; W. E. Lilton, Shaw, Miss., planter and ex-chancery

clerk; Mrs. Roger B. Johnson, Cleveland, Miss.; George H. Chadwick, Carthage, Miss., motion pictures.

S. C. Ellis, Carthage, Miss., merchant; J. A. Chadwick, Carthage, Miss., M. D.; Louis Dickens, Carthage, Miss., contractor; L. H. Sanders, Carthage, Miss., merchant; George Wilcox, Carthage, Miss., undertaker; Dr. A. D. Dumas, Carthage, Miss., M. D.; Wilbur M. Jordan, Carthage, Miss., ex-soldier; Charley Brown, Jr., Carthage, Miss., farmer; W. N. Morton, Carthage, Miss., dairyman; Alexander G. Dumas, Jr., Carthage, Miss., ex-soldier; George F. Dossett, Carthage, Miss., manager, Miss. Power & Light Co.; Clay S. Hall, Carthage, Miss., farmer; G. T. Harrell, Carthage, Miss., farmer; Sam Kemp, Carthage, Miss.; C. E. Harrell, Carthage, Miss., farmer; Owen Carpenter, Carthage, Miss., farmer; A. N. Padget, Carthage, Miss., chief; Horatio Ballenger, Carthage, Miss., ex-soldier; R. J. Anglin, Carthage, Miss., farmer; J. C. Davis, Jr., Carthage, Miss., soldier; Ernest E. Darrell, Sr., Carthage, Miss., building material merchant; R. H. Sharp, Carthage, Miss., Watkins dealer; E. E. Darrill, Carthage, Miss., brick mason; B. F. Taylor, Carthage, Miss., owner and dry cleaner; H. O. Darnell, Carthage, Miss.; Mrs. H. O. Darnell, Carthage, Miss., housewife; Sam R. Martin, Carthage, Miss., Dodge & Plymouth dealer; Mrs. Sam R. Martin, Carthage, Miss., housewife; M. D. Reagan, Carthage, Miss., hardware; Tulen Johnson, Carthage, Miss., sawmill owner; E. T. Moss, Carthage, Miss., cafe owner; W. C. Beard, Jr., Carthage, Miss., clerk; W. M. Hardage, Carthage, Miss., auto dealer; G. W. Parker, Carthage, Miss., deputy sheriff; Guy McGivney, Carthage, Miss., clerk; Hal A. Halford, Carthage, Miss., farming; B. B. Reems, Carthage, Miss., radio mechanic; R. E. Perry, Carthage, Miss., contractor; J. O. Caldwell, Carthage, Miss., clerk; Herbert Hardage, Carthage, Miss., hardware; Herman T. Johnson, Carthage, Miss., ex-soldier; Ralph Harris, Carthage, Miss., store manager; T. L. Purvis, mgr., Carthage, Miss., cold storage & curing plant; Mrs. T. L. Purvis, Carthage, Miss., housewife; E. R. Gayne, Carthage, Miss., farmer; Mable R. Gayne, Carthage, Miss., housewife; J. H. Howell, Carthage, Miss., justice of the peace; Mrs. J. H. Howell, Carthage, Miss., housewife; Edd Jackson, Carthage, Miss., barber; Ira F. Ellis, Carthage, Miss., barber.

Reed Gardner, Carthage, Miss., Western Auto Supply; Mrs. Bud Gardner, Carthage, Miss., housewife; H. O. Horn, Carthage, Miss., barber; Mrs. H. O. Horn, Carthage, Miss., housewife; F. J. Doss, Carthage, Miss., Circuit Clerk; Mrs. F. J. Doss, Carthage, Miss., housewife; L. V. McBeth, Carthage, Miss., farming; Mrs. L. V. McBeth, Carthage, Miss., housewife; W. B. Watkins, Carthage, Miss., barber; Mrs. W. B. Watkins, Carthage, Miss., housewife; B. L. Wallace, Carthage, Miss., auto mechanic; Mrs. B. L. Wallace, Carthage, Miss., housewife; W. D. Sanders, Carthage, Miss., recreation owner; Mrs. W. D. Sanders, Carthage, Miss., housewife; W. B. Harrell, Carthage, Miss., farmer; Medse Horrell, Carthage, Miss., housewife; Guy Slay, Carthage, Miss., farmer; Mrs. Guy Slay, Carthage, Miss., housewife; O. S. Mills, Carthage, Miss., farmer; W. R. Serence, Carthage, Miss., farmer; Mrs. W. R. Serence, Carthage, Miss., housewife; Murray F. Ray, Carthage, Miss., owner auto lec store; Mrs. Murray F. Ray, Carthage, Miss., housewife; B. L. McAdory, Carthage, Miss., farmer; Mardid McAdory, Carthage, Miss., housewife; Tony Dawelee, Carthage, Miss., ex-soldier; W. J. Grisham, Carthage, Miss., concrete mfg.; L. H. Horn, Carthage, Miss., merchant; Mrs. Paul Lee, Carthage, Miss., merchant; Mrs. J. J. Speed, Carthage, Miss., clerk; J. P. Robin, Carthage, Miss., farming; J. M. King, Carthage, Miss., live stock dealer; Mrs. J. M. King, Carthage, Miss., housewife; C. L. Bilber, Carthage, Miss.; Mrs. C. L. Bilber, Carthage, Miss., housewife; B. F. Hogue, Carthage, Miss., mgr. Hogue Lbr. Co.; Mrs. B. F. Hogue, Carthage,

Miss., housewife; O. L. Troutman, Carthage, Miss., trucking and farming; Mrs. O. L. Troutman, Carthage, Miss., housewife; F. E. Murphy, Carthage, Miss., retail clerk; Mrs. F. E. Murphy, Carthage, Miss., housewife; Mrs. Rose Varhes, Carthage, Miss., bookkeeper; Johnnie Phillips, Carthage, Miss., electrician; Mrs. Johnnie Phillips, Carthage, Miss., housewife; Eugene Waggons, Carthage, Miss., store clerk; Mrs. Eugene Waggons, Carthage, Miss., housewife; Hagan Dickens, Carthage, Miss., merchant; Mrs. G. C. O'Cain, Carthage, Miss., housewife; G. C. O'Cain, farmer; H. T. Bilbre, Carthage, Miss., farmer.

O. L. Presley, Carthage, Miss., farmer; Ed. Cobb, Carthage, Miss., city marshal; Mrs. Ed. Cobb, Carthage, Miss., housewife; B. L. Allen, Carthage, Miss., contractor; W. N. Lyle, Carthage, Miss., unemployed; Mrs. Gussie May Lyle, Carthage, Miss., housewife; Mrs. Norma A. Lyle, Carthage, Miss., housewife; J. L. McDonald, Carthage, Miss., farmer; Mrs. J. L. McDonald, Carthage, Miss., housewife; Mr. Roy F. Lutts, Carthage, Miss., carpenter; Mrs. Roy F. Lutts, Carthage, Miss., housewife; Clyde A. Lutts, Carthage, Miss., Mississippi Power & Light; Mrs. Fannie Luty, Carthage, Miss., housewife; R. W. Mauer, Carthage, Miss., Ford dealer; Mrs. Irma Mauer, Carthage, Miss., housewife; W. D. Arnold, Ackerman, Miss., M. D.; T. H. Sheedy, Ackerman, Miss., farmer; Joe M. Barron, Ackerman, Miss., farmer; L. L. Cork, Ackerman, Miss., farmer; H. P. Latimer, Jackson, Miss., Sec. Magnolia State Printing Co.; J. L. Adams, Gloster, Miss., town clerk, ins. and banker; C. W. Clark, Gloster, Miss., farmer; J. T. Lowrey, Gloster, Miss., banker and attorney; L. J. Simmons, Gloster, Miss., banker; Worth Jackson, Gloster, Miss., banker and planter; T. S. Conerly, Gloster, Miss., alderman and agent for Standard Oil; G. D. McLain, Gloster, Miss., mayor-planter-broker; W. R. Conerly, Gloster, Miss., owner-operator, Shady Rest Service Station; Frank Mize, Forest, Miss., motor-vehicle commissioner; Mrs. J. D. Faris, Vicksburg, Miss., owner of grocery store.

And many other whose signatures came in late.

Mr. BILBO. Mr. President, I now yield to the Senator from Tennessee [Mr. McKellar].

Mr. HILL. Mr. President, will the Senator from Tennessee yield to me to suggest the absence of a quorum?

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Hart	Maybank
Ball	Hatch	Russell
Barkley	Hayden	Saltonstall
Bilbo	Hill	Shipstead
Bushfield	Johnston, S. C.	Smith
Carville	Knowland	Thomas, Okla.
Downey	La Follette	Tydings
Fulbright	Langer	
Gerry	McKellar	

The PRESIDING OFFICER. Twenty-five Senators have answered to their names. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators and Mr. CAPPER, Mr. FERGUSON, Mr. GURNEY, Mr. MAGNUSON, Mr. McCARRAN, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MURDOCK, Mr. REVERCOMB, Mr. STEWART, Mr. TAFT, Mr. TAYLOR, Mr. TUNNELL, Mr. WHERRY, and Mr. WILEY answered to their names when called.



The PRESIDING OFFICER. Forty Senators having answered to their names, there is not a quorum present.

Mr. BARKLEY. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. MITCHELL, Mr. WILLIS, and Mr. HAWKES entered the Chamber and answered to their names.

After a little further delay, Mr. GREEN, Mr. CORDON, Mr. RADCLIFFE, Mr. O'DANIEL, Mr. MURRAY, and Mr. BRIGGS entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, I wish to speak for a few moments about the pending measure, Senate Joint Resolution 138, proposing to make a loan of \$3,750,000,000 to Great Britain.

Very frankly, Mr. President, this measure has given me a great deal of trouble, and I know it has given every other Member of the Senate trouble. In considering it, I have changed my mind several times; but finally I believe I have reached a just conclusion, and I wish to give the Senate and the country my reasons for reaching that conclusion.

Seven years ago the United States was one of the five great nations of the world—Germany, Great Britain, Russia, Japan, and the United States. Just what place the United States then held among the five great nations was a matter of question, doubt, and opinion. Then in 1939 Germany invaded Poland, and in 1940 moved into Denmark and Norway and overran France and the Low Countries and made war on Great Britain and other countries. At that time Germany was perhaps the strongest military nation which ever existed on the face of the earth. She was battering at the very gates of London and, with her airplanes, was destroying that city as well as other parts of Great Britain, and forced the Dunkerque evacuation. In another 2 weeks, if we had not entered the war by sending aid, Hitler would have been ruling from London and the British Empire, perhaps, would have been no more.

President Roosevelt took the fateful step in sending aid beginning in 1940. No one at that time could have foretold the outcome. Indeed, it seemed certain that Germany was so strong that no power could withstand her might. President Roosevelt took the bull by the horns and started preparations for the greatest war the world has ever known. Congress passed the necessary laws and our boys were conscripted. Our factories began running overtime, and munitions, guns, and airplanes were rapidly manufactured. Our farms were put to work as never before, and in a relatively short time we had the greatest force of arms and ammunition, the greatest force of food, supplies, and equipment, and the greatest armada of air strength ever

known at any time on this good earth. Our Army and Navy were made almost perfect. We were not preparing for direct defense of our own shores but the President prepared our forces and sent them to Great Britain to be trained. They were later sent to Africa, to the shores of the Mediterranean, and around to Russia itself so that Germany was assaulted from every side.

Before our Army and Navy, and Air Corps could be put in condition Japan, taking advantage of what she must have felt was our weakness, because we were carrying on a war in Europe, and while her envoys here were pretending friendship, stealthily gave us the blow at Pearl Harbor on December 7, 1941. At that time Japan was perhaps the second strongest military nation in the world. Thus, instead of being at war with only one great military power 3,000 miles across the Atlantic, we found ourselves in a bitter contest with the second greatest military power 7,000 miles away in Asia. Did that deter our people? Did that deter our President? Did that deter our Government. Not at all. We immediately redoubled our efforts and built another Army and Navy, Marine Corps, and Air Corps, and sent them across the Pacific to strike back the assassin assault from Japan. To fight those two wars at the same time was a monumental undertaking but America arose to the occasion.

By September 1942 Germany had not only overrun France but most of central and western Europe. She also had overrun Austria and the Balkan States, had taken all of European Russia, and was at the gates of Stalingrad on the Caspian Sea. We then took another marvelous wartime venture. We sent by ship, food, guns, ammunition, supplies, and airplanes through the Suez Canal and up the Persian Gulf, across the intervening land and over the Caspian Sea, and brought aid to the Russians at Stalingrad. Immediately after receiving those supplies, guns, ammunition, and planes Russia drove back the Germans until she finally removed them from Russian soil entirely, and attacked Germany on her homeland. We all know the result. Germany fell first, and the Allies, led by the United States, took charge of her country.

In the meantime the fighting in the Far East was getting closer and closer to the islands of Japan. The atomic bomb had been perfected and was on its way there, and in August of last year the Air Forces dropped our atomic bomb on Hiroshima. Eight days later Japan capitulated, and the United States took charge of that country and has charge of it yet.

Thus in not much more than 5 years we had been the principal factor in winning the two greatest wars that had ever been fought among men on this earth. We went into the war as one of the five great nations of the earth; we came out of the war as the leading Nation of all the earth, the strongest, the most powerful, the richest, and the most successful Nation that perhaps ever existed. It is true that we spent more than \$350,000,000,000 on that war. It is true that we spent \$2,600,000,000 on an experimental bomb. It is true, unfortunately, that many of our splendid young men lost

their lives, and that countless others were wounded.

But for the first time in history, and due largely to our leadership, an organization has been achieved to keep hereafter the peace of the world. What its outcome will be, of course, no one can foretell, but those of us who have been fighting for such an organization since 1917 have hope that we may be able to bring about a peaceful world in the future.

As a result of the two wars, the one in Europe and the other in Asia, we find Russia stronger than before. We find Great Britain probably weaker than before. We find Germany and Japan prostrate, but still capable of coming back if they do right. However, in any event it will be years before they ever regain anything like their former places among the nations of the world.

When we entered the war with Great Britain we not only furnished her with our armies and ammunition, our guns and our food, but we gave to her the greatest financial bounties ever known under the form of what was termed "lend-lease." Many people think we have done enough for Great Britain. Oftentimes I have felt the same way, but, Senators, there is another side to this question and we must be very careful and make no mistake.

The entire world is in a state of unrest and upheaval. Many old landmarks, many old constitutions and old governments have fallen. Many new isms are springing up in almost every country. Many of these new ideas and isms are dangerous not only to the peace of the world but to the prosperity and happiness of the world. Above all, they are dangerous to the security of the world. Those of us who believe in a peaceful world, those of us who believe in an educated world, those of us who believe in a successful world, those of us who believe in a sound economic world, must pause, and be careful, and prudent, and level-headed, so that no mistakes will be made in the new order of things.

Everyone admits that the United States has, during these wars, forged away out in front, and has been in the lead of all the nations. In this position of leadership—a leadership greater than was ever before enjoyed by any other nation—we must be exceedingly careful. We must not go off at a tangent. We must be fair and just, and even generous, to all the nations of the world. Frankly, I think we have been, and our attitude in that regard has often troubled me and caused me to pause. We have been exceedingly generous.

Now we come to the pending joint resolution. It simply provides that we lend this large sum of money to Great Britain as a line of credit, at 2 percent, and the payment of interest will not start until January 1, 1951.

There are those who say they would not object to making this loan if Great Britain had paid the loans she received from us before. There is much in this contention. Yet there are a number of things we must consider. Among these are:

First. She—Great Britain—received a terrible drubbing at the hands of Ger-



many before Germany was whipped. A number of her cities were demolished, and London was terrifically damaged.

Second. She was separated from her colonies, and many of them were taken away from her.

Third. Her foreign trade, on which she depends so largely, was practically entirely destroyed.

Fourth. Her people were impoverished, and while she came out of the war one of the victors, still she was relatively nothing like as strong after the war as she was before she was assaulted by Germany.

Under these circumstances she has applied to us for this huge loan. We have not the money, but we can extend to her this line of credit to be drawn upon during the next 5 years. However, it is said that she will not return it if we lend it. Of course, that may be true. On the other hand, let us remember, we being the most powerful nation in the world, that if we do not collect the debt it will be our fault, because there will be many ways of our compelling Great Britain to repay the debt if she should undertake not to pay it. I do not believe she will fail to attempt to pay it.

We must remember that repayment of the loan, under the agreement, is to be made in 50 annual payments, beginning at the end of 1951, and the conditions under which the interest may be waived are so severe as to require a crisis in world economic conditions for such waiver of interest to occur.

We must also remember that Great Britain agrees to aid our businessmen in their trading by doing away with exchange controls and abolishing the so-called sterling-area dollar pool, thus assuring unlimited use of American or British money in normal business transactions.

We must also remember that Great Britain agrees to adjust her debts to the members of the Empire—though not by use of the loan we would make—so as to reduce the burden on international trade.

There is also an agreement for the expansion of world trade, and in this connection we must remember that before the war Great Britain was our best customer. She bought about \$500,000,000 worth of goods from us each year. She bought cotton and tobacco, grains and fruits, metals and meats, machinery, automobiles, and other finished products. Her trade is important to us and important to the world. If Great Britain founders financially, all the world suffers.

From all this I have reached a conclusion which makes me sure she will pay the principal and interest of this debt. The terms are easy. The interest payments are relatively small, spread over a long series of years, and Great Britain cannot expect to remain a great nation unless she does pay this debt. I hope Senators will remember this: Great Britain cannot expect to remain a great nation unless she pays this debt.

There is another feature in the situation which we must not overlook. At the present time three great nations overshadow the world. We have a peace understanding with the other two, and a general understanding with all the

nations of the world, to do right, and to keep the peace. Great Britain is bound to us by ties of kinship. Our people speak the same language. Our institutions are similar, but ours are much stronger because our institutions, if kept intact, insure the freedom of all our people. Under these circumstances, it seems to me that we must take a chance. We took a tremendous chance in going into the war at all when we might have stepped aside. I remember we took a chance early in the war in experimenting with the atomic bomb. We spent \$2,600,000,000 on a chance of its being a great weapon, and we succeeded, and what we invested was paid back to us in the saving of the lives of many of our boys. It is difficult to determine how many lives were saved by the use of the atomic bomb in Japan. We spent more than \$350,000,000,000 on this war, and it looks as if we have a contract in the UN organization which may maintain the peace of the world in the future. Of course, we took an enormous chance in going into the war and in carrying on the war to its successful conclusion. Therefore I think we should again take a chance and spend this \$3,750,000,000 in making this loan.

I believe it would be the means of bringing our country and Great Britain closer together, of bringing about a better understanding, and relieve her necessities created by the war; and I believe that the result will be to the benefit, not only of Great Britain but to the benefit of America.

Some may say there ought to be conditions attached; that we ought to be given certain islands now belonging to Great Britain some of which we fortified for our own defense and for the defense of Great Britain. Others say that, at least we ought to have the bases on English soil at various places in the world which we held during the war for the defense of both ourselves and England. There is much in these contentions. I can well see how anyone could think we ought to lend this money only on such conditions; yet, on the other hand, Senators, who is there in this body who would, under any circumstances, be willing to yield any part of our soil upon a show of force, economic or military?

Suppose in a similar situation, when the positions were reversed, it should be suggested that we yield bases on the New England coast, on the south Atlantic coast, the Gulf coast, or on the Pacific coast. Is there a Senator who would vote for such a proposal? We know there is not. There is not a Member of this body who would be willing to yield any part of our soil upon a show of force, either economic or military. I am sure if each of us will ask himself that question, the answer must be that we could not bring ourselves to take such a course.

There is another thing to be considered. Of course, under our Constitution and laws this loan cannot be made without the approval of the Congress. However, it has been recommended by the President. It has been recommended by the Secretary of State, Mr. Byrnes, who is now dealing with the nations of the world in bringing about an estab-

lished and peaceful relationship in the world. It is recommended by our Secretary of the Treasury, Mr. Fred Vinson, who has charge of the financing of this loan. Mr. Vinson urgently requests the loan. He has had a remarkable career. He has done and is doing a fine job in the Treasury and I have great confidence in him.

The next official to recommend it is our Secretary of State, Mr. James F. Byrnes. We have all known Mr. Byrnes for many years. He served with us. I have known him for a period of 34 years. I served with him in the House. I served with him in the Senate. I did not always agree with him. He did not always agree with me. But Mr. Byrnes is a very able man. He is an honest and forceful man. He has grown in mental stature with the years. He is a very able statesman. He is a very forceful statesman, and I want to say as to his action in the United Nations Council in the case of Iran—formerly commonly known as Persia—that he took a stand which I admired then very much and still admire very much. His opinion has great weight with me.

Again, Mr. President, the President of the United States recommends this loan. He is tremendously interested in it. He honestly believes that it is best for our country. He thinks we are in duty bound under all the circumstances to make this loan. He thinks it would be best for us and, of course, will be best for Great Britain. I have great respect and admiration for Mr. Truman, the President of the United States. He served with me on the Appropriations Committee of the Senate for a number of years. He is level-headed. He is fair-minded. He is diligent in the business of his government. I think he is a great statesman and in the questions that arise about foreign policy—and remember, this is our foreign policy, and we have constituted the President and the State Department to be guards over it—I think we had better follow the lead of our President. Therefore, I shall vote for this loan.

In closing let me add that the President has never talked to me personally about this loan. My friend, Jimmie Byrnes, Secretary of State, has never talked to me personally about this loan. I have received no communication from him on the subject. I have reached this conclusion solely and alone in an effort to arrive at a judgment on the merits of this measure and to do what is best for our country which we all love so dearly and of which we are all so proud at this moment of the world's history.

We are the leading nation in the world today. In asking us to make this loan Great Britain concedes this. We must take a leader's part. We must aid this ally.

We do not know what questions may arise in the world of tomorrow. I ask Senators to listen to this. We do not know what questions may arise in the world of tomorrow. We might need an ally again. What ally could be more important than one of our own blood and kind? Of our own race and creed? Of our own conception of right and justice? Of our own belief in the private rights

of men and women to make a living? Of our own belief in private business and our own belief in an economy which provides that individuals shall make their own way in the world? Of our own devotion to constitutional and legal government? And our own devotion to the freedom of men and women?

Looking to our future and especially to our future security as a Nation, there is no way, in my judgment, to avoid making this loan.

#### RETURN OF CRITICAL SURPLUS ITEMS FROM OVERSEAS

Mr. TUNNELL obtained the floor.

Mr. McKELLAR. Mr. President, I was asked by the Senator from Mississippi [Mr. BILBO], who had the floor and yielded to me, to yield to the distinguished Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The Chair is advised that no Senator can hold the floor under such an arrangement. The Chair has recognized the Senator from Delaware [Mr. TUNNELL].

Mr. TUNNELL. Mr. President, I certainly shall insist on holding the floor in view of the fact that I have to leave the city and cannot very long delay and say the things that I was intending to say before leaving. So I appreciate the opportunity to speak now, before leaving the city.

Mr. President, I desire to call the attention of the Senate to a matter which I think is of general interest in connection with the present efforts of industry to reconvert to peacetime production and, particularly, to the breaking of bottlenecks in critical programs, such as the housing program for veterans, highway building programs, and construction generally.

There is no need for me to dwell at length upon the importance of these critical programs, nor is there any need to detail the difficulties with which we are faced in meeting them. We all know that the principal shortages are materials and construction machinery. We all know, also, that no matter what is done about liberal financing or pricing relief or subsidies, neither materials nor machines can be created overnight by any such methods.

Mr. President, the principal reason for the shortage of construction materials and machinery is that during the war the capacity of the facilities which were devoted to the production of those items was absorbed by filling the needs and requirements of the armed services. Very little, comparatively, was apportioned to the civilian economy. Moreover, facilities which had previously been supplying the civilian market for construction machinery were converted to producing other types of items of a military character. This means that the time lag in restoring these facilities to the production of items for the civilian construction market will prevent the immediate achievement of any high level of production for that purpose. Meanwhile, the demand has grown to great proportions.

This should have induced those in the Government who are charged with the responsibility of aiding reconversion and

breaking the bottlenecks of critical programs to exploit every possible source which could provide the necessary materials and machinery. I think there can be no doubt that the agency which is principally charged with this responsibility is the Office of War Mobilization and Reconversion. The Director of the Office of War Mobilization and Reconversion had the authority and he had the responsibility.

Mr. President, it is, likewise, well known that huge quantities of building materials and critical construction machinery are held by the Army and the Navy. It is also well known that of the building materials and machinery which the services hold, a large proportion has been declared surplus. Of this surplus a great deal is presently located overseas.

As a member of the subcommittee of the Mead committee which recently investigated surpluses abroad, I personally saw vast quantities of this material and equipment and our subcommittee, composed of the Senator from California [Mr. KNOWLAND] and myself, took testimony and gathered statistics concerning the nature and quantity of this equipment, much of it located in areas where there is no ready market at a price which will guarantee a substantial return to our taxpayers. This subcommittee was amazed to learn that no procedures were in effect for shipping back to the United States those items which are sorely needed here to speed our transition to a peacetime economy.

I am at a loss to understand how anyone whose principal responsibility was the breaking of bottlenecks in reconversion could have failed to foresee the extreme shortage of building materials and machinery and could have neglected to take the very obvious step of ordering those items, now held by our Government and representing a huge expense to our taxpayers, to be returned to fill an urgent demand here so that they could serve the dual purpose of speeding reconversion and liquidating the Government's investment in return for dollars, rather than foreign currencies or credits.

Mr. President, this subject was covered at some length by the report which the Mead committee filed with the Senate on March 22, 1946. I do not propose to review the course of inaction and feeble efforts which are fully related there. I wish merely to state that as a result of the committee's activities a working committee was created to determine what items were critically needed here. On March 1, 1946, it prepared a list of such items. At the time our report was filed, however, no action had yet been taken by the Director of the Office of War Mobilization and Reconversion to order such critical items found in surplus property stocks abroad returned to this country for sale here. We were then told that the Director of the Office of War Mobilization and Reconversion was going to wait until the Under Secretary of War and the Foreign Liquidation Commissioner returned from a trip around the world.

I was amazed to learn at a public hearing of the Mead committee, held on Friday, April 19, 1946, that although the Under Secretary of War and the Foreign

Liquidation Commissioner returned to this country on April 4, 1946, and although a meeting was finally held at the White House on Wednesday, April 17, 1946, the Director of War Mobilization and Reconversion has not yet today taken any positive, clear action on this most important matter. I was still more amazed to learn that apparently he contemplates taking no further action.

Mr. President, the hearing of the Mead committee on the return of civilian critical items apparently did not even impress Mr. Snyder, the Director of the Office of War Mobilization and Reconversion, as being of great importance. He sent Mr. Harold Stein, Chief of the Stock Piling and Surplus Property Divisions of the Office of War Mobilization and Reconversion. A review of the record of that hearing cannot fail to impress one that Mr. Stein knew practically nothing of the facts, which should have been known by anyone who would be required to make an intelligent decision on this matter. Mr. Stein had only a vague notion of how critically short were certain items of construction machinery, such as cranes, shovels, draglines, tractors, motor graders, and scrapers. It was very obvious that he had made no inquiry whatsoever. It remained for a War Assets Administration employee to tell the committee that two classes of priority claimants—namely, States and municipalities on the one hand, and veterans on the other hand—had, in January of this year, filed application for 73,000 tractors of various types, when the War Assets Administration had had declared to it a total of only 8,000 new and used tractors.

Mr. Stein did not know that not a single machine of the types of those above-mentioned as critical had been sold to the trade—that all had been promptly taken up by priority claimants. Mr. Stein, apparently, did not know that directives were being sought from the Civilian Production Administration to assist contractors in critical programs to obtain the machines they required and that even with these priority certificates or "hunting licenses," it was only within the last few days that priority directives issued as far back as last December on such items were finally filed by the War Assets Administration.

Mr. Stein did not know how much of this critical property was located abroad as surplus, how soon it could be returned here, how much the transportation charges would be, nor whether there were any insurmountable difficulties insofar as selection of critical items or the physical handling is concerned.

Mr. President, in short, a reading of the record of the Mead committee hearing of Friday, April 19, 1946, cannot help but lead one to the inescapable conclusion that so far as the Office of War Mobilization and Reconversion is concerned there was only ignorance where there should have been knowledge. I regret to be forced to say that in my own judgment my contact with this problem has forced me to the conclusion that the handling of this important matter by the Office of War Mobilization and Reconversion has been characterized by what may generally be called indifference.



It was bad enough that September, October, November, December, and January—5 months—passed after the cessation of hostilities and no action had been taken whatever by the Office of War Mobilization and Reconversion. This was in spite of the fact that in the latter part of August 1945 the War Department voluntarily called the existence of this problem to the attention of the appropriate civilian agencies and offered to return to this country any surplus materials which the civilian agencies determined to be in critical demand for our domestic economy.

I wish to point out that this is exactly the period in which action should have been taken by the Director of the Office of War Mobilization and Reconversion, because there is necessarily a time lag involved in the declaration of surplus, the selection of the items and loading them on vessels, the voyage to this country, and the unloading of the vessels after they arrive. If action had been taken in September of 1945 and a sensible, businesslike program for the return of critical items had been inaugurated, the shortage of building materials and construction machinery would not be as critical as it now is, and vital programs would be further along. The veterans who desperately need housing; the farmers who desperately need tractors and trucks; the States, counties, hospitals, and educational institutions; business enterprises; the construction industry; the building trades and the unemployed demand to know why there was inaction when there should have been action.

Mr. President, I can forgive the Office of War Mobilization and Reconversion for failing to take action last September. It would have required foresight, decision, and forthright action, which we might possibly have no right to demand of a public servant. But, Mr. President, I cannot forgive the procrastination, indecision, and feeble efforts which have marked the handling of this most important matter, since it was vigorously and forcefully called to the attention of the Office of War Mobilization and Reconversion by the Mead committee in January of this year. Action which was already then too long delayed has not yet been taken, although 90 days have since elapsed. Not only that, but there seems to be no concern about this matter in the Office of War Mobilization and Reconversion.

The only sign of any action at all is the preparation of the list of critical items of March 1, 1946 and March 11, 1946, which has not, to this day, been given any binding effect upon anyone by the Office of War Mobilization and Reconversion. It is said that, in fact, critical items are being returned because of an order issued on the 19th of February by the Army and Navy which, for the first time, authorized commanders in the Pacific area to return new and serviceable civilian-type items to this country. It is said that the critical list of March 1 and March 11, 1946, has been furnished to those Pacific commanders and that they are, in fact, using that list to give priority in shipment to the critical items, although they are not ordered to do so. We shall not know the facts on this mat-

ter until the manifests of the vessels which are being loaded in the Pacific are available. If, in fact, critical items of construction machinery and building materials are returned pursuant to the authorizations of February 19, 1946, it will not be because they have been ordered returned by the Office of War Mobilization and Reconversion.

Mr. President, I wish I could provide figures at this time as to the quantities of critical items which are now located abroad in surplus stocks which are now prohibited from being returned to the United States. Those figures are not available. They were not asked for by the Office of War Mobilization and Reconversion. They have now been asked for by the Mead committee and are promised to be available in about 2 weeks' time.

It is estimated that the time which will elapse in the physical movement of such items as are returned from their location in depots in Europe until their unloading in ports in this country would be approximately 30 days.

Capt. Granville Conway, War Shipping Administrator, has assured the committee that there is plenty of shipping capacity for return to this country from the European and the Mediterranean theaters any quantity of surplus Army material which the Army authorities are able to load on vessels. Captain Conway has further stated that most of the vessels now returning to this country from those theaters are returning empty. The additional expense involved would be only that required to load the vessels and the cost of maintaining the vessels while they were being loaded and unloaded. An additional reason for speed in adopting this program, if it is to be adopted, is the fact that at the present time Army and Navy cargoes are transported without charge by the War Shipping Administration. This situation will continue until the 1st of July 1946, at which time Army and Navy cargoes will have to pay freight to the War Shipping Administration.

According to figures furnished by the Army Service Forces, there has already been declared surplus up to December 31, 1945, \$1,122,000,000 worth of civilian type supplies. There is expected to be declared an additional \$2,890,000,000 worth of supplies prior to June 30, 1946. This makes a total of declarations in the neighborhood of a little over \$4,000,000,000. Of this \$4,000,000,000 worth of civilian type surpluses in foreign areas, only \$1,129,000,000 is located in the Pacific. This is only slightly over 25 percent of the expected surpluses we have outside the United States. It is only this 25 percent of our foreign surpluses that the cables of the Army and Navy of February 19 are applicable to; and, as previously noted, the cables are only permissive in that they allow the commanders in the Pacific area to return to this country new and serviceable civilian type supplies if they so desire. As to 75 percent, therefore, of the civilian type surpluses located abroad, the Army and Navy are now prohibited by existing regulations from returning them to this country. This really means in essence that it is Army supplies that are involved,

because most of the Navy supplies are located in the Pacific. The 75 percent of our surpluses are the surpluses which would be affected by an order of the Office of War Mobilization and Reconversion, if it were entered, to bring back to this country—out of those surpluses—material, equipment, and machinery which are so desperately needed here.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. FERGUSON. I wish to ask the Senator a question, but I shall not do so if he does not care to be interrupted at this time.

Mr. TUNNELL. That is perfectly satisfactory; I am glad to have the Senator ask me a question.

Mr. FERGUSON. I am very much interested in the subject the Senator has been discussing. I should like to know whether the reasons which are assigned indicate that, notwithstanding the past, in the future we shall actually get these goods back into the civilian life in the United States? Is the Senator from Delaware satisfied from what he has learned from the committee's trip and also from what he has learned from officials here that we in the United States can anticipate that the Army and Navy and other services will actually declare these surpluses at once and will return them to the United States?

Mr. TUNNELL. I am not satisfied that they are being returned as they should be, and that is the reason for the protest I am making today. I think the Senator from Michigan was present—I was not—at the last meeting of the Mead committee at which Mr. Stein testified with reference to these matters.

Mr. FERGUSON. I was; and I was greatly disappointed that Mr. Snyder did not personally appear there to give us his assurance as to what he was going to do.

Mr. TUNNELL. Yes.

The Senator knows that our surpluses, both in the Pacific area, the European area, and, we may say, in the Mediterranean area, are—in many instances—surpluses of things which should be used in the United States and are needed here today.

I was somewhat surprised to find that in none of those areas was there a great amount of lumber which could be used for building. In our trip we found in Italy 70,000,000 feet of lumber which could be used for building purposes. Much of the lumber which we found in the Pacific area was short and heavy, being lumber which had been prepared for use or had been used in boxing heavy machinery, and which it did not seem to me would be so valuable for building purposes. But there was much machinery which would have been of great value in the United States, but which can bring little return where it is. That is what I am attempting to call attention to.

Mr. FERGUSON. I should like to refer for a moment to the European area. When we were there as a committee last May and June, it was understood, as I recall, that the inventory was completed, or would be completed in a very short time. However, I understand that now,

almost 11 months afterward, there is complaint that the inventory of all these civilian goods has not been completed to this day.

In the Senator's opinion, is there any real, valid reason why that inventory has not been prepared, so that we may know what is in the European theater, and so that we can determine what should be returned to this country?

Mr. TUNNELL. I do not think there is any reason for the failure to prepare it, I say to the Senator.

Mr. President, I should like to call attention to the fact that quite a large percentage of the material—I cannot say exactly how much because figures are hard to get in regard to these matters, as the Senator realizes—but a very large percentage of surplus war goods is composed of war materials which perhaps are not worth the cost or trouble of transportation back to the United States. However, the things in which I am interested, and in which I am sure the Senator from Michigan is also interested, are those which can be used for civilian purposes in the United States and are needed here at this time.

Mr. FERGUSON. That is exactly what the Senator from Michigan is interested in, and I know the Senator from Delaware is interested in the identical problem.

Mr. TUNNELL. Yes; that is correct.

Mr. FERGUSON. We are not concerning ourselves so much with munitions or other articles which are not useful in civilian life, but when this country is actually critically short of certain machinery—road-building equipment, and so forth—and when we find that such machinery is in one or another of the various territories or theaters, but is not being returned to the United States, I think the committee is doing a real service in pointing that out, not only in open hearings but here on the floor of the Senate, so that the people of the United States may understand that we are not getting these things back to the United States at the time when they are needed.

The need for them is now. If they are brought back later, after our own factories are again producing such goods, objection will be made; it will be said that we are bringing the goods back to this country in competition with the products of our own industries. But now 8 months have passed. If the goods had already been brought back to the United States, there would not be any competition with the products of our industrial concerns or with the goods produced by our workmen. The goods could have been returned; and if they had been, we would now be using them in this country for civilian use and as civilian goods.

Mr. TUNNELL. Mr. President, the Senator probably already knows what I am about to say; but the Senator from California [Mr. KNOWLAND] and I found in Vincennes, just outside of Paris, 9,500 jeeps, 25,000 bicycles, and a large quantity of trucks and other paraphernalia, much of which is really needed in the United States at this time. Those are some of the things which it seems to me should be called to the attention of the War Mobilization and Reconversion service.

Mr. FERGUSON. That is just what I have in mind. I have received complaints from Detroit and elsewhere in Michigan from veterans who claim that they cannot get jeeps, they cannot get automobiles, they cannot get trucks with which to start out in business. Recently the committee had to send a man there to look into the matter.

But now we find that there are 9,500 jeeps and a large quantity of trucks just outside of Paris, not being used in connection with the reconstruction of France, not being used by anyone. The war in Europe has actually been over since last May 8, but we find that the jeeps are still there, and probably are not on any inventory. When the committee was in Marseilles, we found thousands of new trucks in the original package, as we lawyers would say. They were on the ground there and in storage. I assume that many of them are there today, remaining just as they were in those days, awaiting the issuance of some order or the taking of some action which will enable them to be used either in Europe or in the United States.

Mr. President, we must think about helping the veterans to obtain such goods now, instead of in the future, when they will be able to purchase them from the civilian trade.

Mr. TUNNELL. Mr. President, let me say to the Senator from Michigan that I do not know how many jeeps there were in Belgium, for instance—which was the other large depot—but as I have said, there were 9,500 jeeps in Vincennes, just outside of Paris, and they were standing there in rows, and so far as I know, they are still standing there in rows.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BILBO. I should like to ask a question. In the inspection tour which the Senator made in regard to surplus war materials abroad, did he visit London or other places in England?

Mr. TUNNELL. Oh, yes.

Mr. BILBO. What did the Senator find there?

Mr. TUNNELL. I do not know just what the Senator from Mississippi means. We found a good deal there.

Mr. BILBO. About how much?

Mr. TUNNELL. Does the Senator refer to surpluses?

Mr. BILBO. War surpluses, yes.

Mr. TUNNELL. I did not know whether the Senator was talking about war surpluses or other things.

I will say to the Senator that, so far as we knew, the articles about which the Senator is inquiring had already been contracted for.

Mr. BILBO. Contracted for by whom?

Mr. TUNNELL. By the British Government.

Mr. BILBO. With whom?

Mr. TUNNELL. I presume it was with the American Government.

Mr. BILBO. Who represented the American Government?

Mr. TUNNELL. I do not know that. That was done before we reached there.

Mr. BILBO. In other words, the Senator from Delaware is not complaining

about having any surplus war materials over in London; is he?

Mr. TUNNELL. No; I am not now complaining about what we do not own. I am complaining about what we do own.

Mr. BILBO. I wish to know who had the power to dispose of the \$6,000,000,000 worth of surplus war materials in England.

Mr. TUNNELL. I think it was done by the Foreign Liquidation Commissioner, although I am not sure about that.

Mr. BILBO. The Congress had no say-so about that, did it?

Mr. TUNNELL. I assume the Congress would not deny its liability for the creation of that office.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BRIDGES. Specifically who appoints the Foreign Liquidation Commissioner?

Mr. TUNNELL. I think he was appointed by the Secretary of State. That authority has been transferred, as I understand, to the Office of the Secretary of State, and I think the Foreign Liquidation Commissioner is appointed by the Secretary of State. Is not that correct?

Mr. FERGUSON. That is true.

Mr. BRIDGES. And everything which has to do with the disposal of our surplus property abroad comes directly under the State Department, does it not? Am I correct in my statement?

Mr. TUNNELL. The Senator is correct so far as goods in foreign lands are concerned. He is not correct, however, as I understand, in regard to surplus goods which may be in America.

Mr. BRIDGES. I understand. I have one other question. Specifically, who is to blame for the failure to return to this country the goods to which the Senator refers? Can the Senator cite a specific example?

Mr. TUNNELL. I may state to the Senator what the committee found when it made its last trip. We found a tremendous number of articles which had never been declared surplus. In the view of the holding agencies, such as the Army and the Navy, there is a difference between the words "excesses" and "surpluses." Surpluses are those quantities which are excess to the particular area and not needed there, but which may be needed by the United States in some of its services somewhere else. Surpluses arise when the owning agency, such as the War Department or the Navy Department, declares certain articles to be surplus for use anywhere.

When we started on our trip we found that there had been what we thought—I believe the Senator from California [Mr. KNOWLAND] will say that he also formed the same conclusion—were articles which were not being declared surplus rapidly enough, and we so stated. We thought that the holding agencies were not declaring surpluses when they should have been declaring them. I may say that at about that time they all began to declare surpluses at a very rapid rate. After articles are declared surplus, it then becomes the duty of the



disposal agency to get rid of them or return them.

Mr. FERGUSON. Mr. President, will the Senator yield for a further question? Mr. TUNNELL. I yield.

Mr. FERGUSON. Will not the Senator point out for the RECORD what officer or official in the field has the responsibility of determining what is surplus or excess property?

Mr. TUNNELL. So far as Army goods are concerned, the responsibility is on the commanding officer in the particular area involved.

Mr. BRIDGES. Would that be General McNarney in the European area?

Mr. TUNNELL. Yes. However, I do not believe it will be found that General McNarney has devoted himself particularly to Germany. I do not believe there are the surpluses in Germany which we are speaking about. Those surpluses seem to be in France and in Belgium.

Mr. BRIDGES. Does not General McNarney have command over the entire European field?

Mr. TUNNELL. I believe he now has command, but did not have it at the time we were there.

Mr. MAGNUSON. Mr. President, after these goods are declared surplus, am I correct in saying that it then becomes the duty, as I understand the Senator from Delaware and the Senator from Michigan, of the Foreign Liquidation Commission to dispose of those goods? If it is decided that surpluses should be moved to the United States, are they then turned over to the War Assets Administration?

Mr. TUNNELL. I cannot answer the Senator's question.

Mr. MAGNUSON. I wonder if the Senator from Michigan could answer the question. Let us assume that the goods located outside of Paris are declared to be surplus. Is it true that the Foreign Liquidation Commission has the duty of disposing of those goods? I presume that the Commissioner would sell them to the French Government, or dispose of them in other ways according to the law. But suppose it were decided to ship the jeeps, for example, to America. After they arrive here are they put under the disposal of the War Assets Administration?

Mr. FERGUSON. Yes. They may not be returned from the European theater, however, without the specific order of Mr. John Snyder.

Mr. MAGNUSON. Who is the man within the Government who is responsible for not bringing those goods from outside of Paris to the shores of America?

Mr. FERGUSON. I would say that it is the commander of the European theater. However, so far as the European theater is concerned, he may not return them to the United States without Mr. Snyder's approval. He could tell Mr. Snyder that the goods exist. However, before they may be returned to the United States Mr. Snyder would have to determine whether they should be returned or not. No goods or materials are now being returned to this country, and have not been returned from the European theater.

Mr. MAGNUSON. To what extent is that situation due to the lack of shipping space?

Mr. TUNNELL. I do not think it is due at all to the lack of shipping space.

Mr. STEWART. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Tennessee?

Mr. TUNNELL. I yield.

Mr. STEWART. Are any of those goods being sold to England and France?

Mr. TUNNELL. A large amount has been sold to Great Britain.

Mr. STEWART. Can the Senator state how much has been sold to Great Britain?

Mr. TUNNELL. We had a report in connection with that matter. I believe that the goods sold to Great Britain amounted to \$650,000,000 worth.

Mr. STEWART. I understand that the total ran into higher figures. That is the reason for my inquiry.

Mr. TUNNELL. I believe the figures might be deceptive when we consider that Great Britain took a large amount of war materials and equipment which has no value to the United States at the present time, and which would have cost us money to carry to sea and sink.

Mr. STEWART. Has the amount of \$650,000,000 been arrived at on the basis of the value of the goods, or is it the amount which Great Britain paid for them, or promised to pay? Of course, I am sure they did not pay anything.

Mr. TUNNELL. The amount of \$650,000,000 refers to sale price.

Mr. STEWART. That is what Great Britain promised to pay?

Mr. TUNNELL. Yes.

Mr. STEWART. And it amounts to approximately 10 cents on the dollar, does it not?

Mr. TUNNELL. It amounts to about 10 cents on the dollar, if we figure it on the basis of what it may have cost to produce.

Mr. BILBO. Then, in that connection, the \$650,000,000 is not in part compensation for the \$25,000,000,000 worth of lend-lease?

Mr. TUNNELL. I do not think it has anything to do with lend-lease.

Mr. BILBO. Then, what did we get for the \$25,000,000,000 of lend-lease?

Mr. TUNNELL. Thanks.

Mr. BILBO. Thanks?

Mr. TUNNELL. Yes.

Mr. STEWART. Of course we sent approximately \$30,000,000,000 worth of lend-lease goods across the Atlantic, as I understand, and got about four billion or five billion dollars in reverse lend-lease.

Mr. TUNNELL. Yes.

Mr. STEWART. Leaving a net of about \$25,000,000,000 worth of goods furnished to Great Britain.

Mr. TUNNELL. Yes.

Mr. STEWART. Which, of course, is, in effect, charged off. We do not even talk about that any more.

Mr. TUNNELL. The Senator is correct.

Mr. STEWART. Like something evil which has occurred in a family, we do not mention it. But, in any event, the \$650,000,000 worth of goods which have been declared surplus, are, according to our valuation, if my information is correct, worth approximately ten times that amount.

Mr. TUNNELL. On the basis of the cost, yes.

Mr. STEWART. In purchasing the material, Great Britain did not pay any cash for it, did she?

Mr. TUNNELL. No.

Mr. STEWART. Does the Senator know what the terms of the purchase were?

Mr. TUNNELL. I believe they were the same as those in connection with the loan which we are now debating.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MAGNUSON. I do not believe the RECORD should leave the impression that those goods were worth the amount which has been stated. It cost us that much during wartime production prices to make the goods. Some of them may not now be worth anything.

Mr. STEWART. They should be worth what they cost, whatever that may have been.

Mr. MAGNUSON. Not necessarily. War is waste and many of the articles which were manufactured have been wasted.

Mr. TUNNELL. I do not think the material is worth as much as \$650,000,000, but Senators will find that the records as to valuation are based on the cost price.

Mr. MAGNUSON. The Senator is correct in his statement. Did not the Senators who made the trip find that in the Pacific, in the Atlantic, and elsewhere many millions of dollars' worth of goods in cost to us were not worth while to bring back to the United States, and that they were not worth much to the people in Europe, even if we had given them away?

Mr. TUNNELL. I will say that the second-hand jeeps were put down at cost price. So when the question is asked, What are they worth? it must be remembered that no appraisal has been made of those goods on the basis of their present-day values.

Mr. MAGNUSON. Will the Senator yield for a further question?

Mr. TUNNELL. I yield.

Mr. MAGNUSON. The Senator said that we received back everything except approximately \$25,000,000,000 in lend-lease which we furnished.

Mr. TUNNELL. I believe that is about correct.

Mr. MAGNUSON. I believe that we received the heartfelt thanks of all Allied Nations to whom we sent lend-lease. I think there are some of us who feel that by sending lend-lease and saving many American lives, and at the same time holding off the enemy from our shores and preventing them from advancing against us in the Pacific, we performed an act which was worth something to us, and that in return we did not merely receive thanks.

Mr. TUNNELL. I may say to the Senator that I voted for lend-lease.

Mr. MAGNUSON. I know the Senator did.

Mr. TUNNELL. I believed in lend-lease then, and I do now. But, so far as money is concerned, we did not get much money in return, and I did not believe we would when I voted for lend-lease.

Mr. STEWART. I voted for lend-lease, and I thought at the time that it was the cheapest insurance that our country could take out. I think it saved the lives of many American boys. But I do not believe it was without value to the people to whom we sent it. I do not like to hear the argument advanced that it was our duty to furnish lend-lease. We did so, but it was not without a value to others as well as to ourselves. We probably saved the lives of many Britons and Russians, as well as of others.

Mr. TUNNELL. I thought lend-lease would prove to be of value to us, or I would not have voted for it.

Mr. STEWART. It helped us, absolutely, to save others.

Mr. TUNNELL. Yes.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BRIDGES. I wish to ask the Senator to clarify one point which was a part of what I had in mind when asking my original question. What I am trying to get at is, Who are the individuals who are personally to blame for not having these goods returned to the United States and offered for sale to the American public at a time when the American public needs them? As nearly as I can ascertain from the Senator's reply, to which the Senator from Michigan contributed, the person who is primarily responsible is General McNarney, and, secondly, John Snyder.

Mr. TUNNELL. I do not think that we can blame General McNarney. He has not been in complete control of the Army in Europe for a very long period of time. He was in Germany and had control of the portion of Germany around Frankfurt, we will say. That is where his particular duties were, and where he stayed.

I do not think it is fair to blame General McNarney for this situation. He was in the war theater. He was in charge of our activities in Germany in particular, and he had a pretty big job at that. There were not the supplies in Germany which we are complaining about, and General McNarney was only drawing on the supplies as they were needed in Germany. If they continued not to be disposed of, then General McNarney might become liable, but I do not think he is to blame for the present situation.

Mr. MEAD. Mr. President, will the Senator from Delaware yield?

Mr. TUNNELL. I yield.

Mr. MEAD. This is quite an involved question, I am sure my colleague from Delaware, who is making a very able presentation, will admit. It not only involves the wisdom of returning both military and civilian items to the United States, where they can be sold for the benefit of our economy and for American dollars, but the demands of UNRRA are also involved.

For instance, UNRRA is seeking automotive equipment for the rehabilitation of a nation which is eligible for UNRRA assistance. The Foreign Liquidation Commission, after military or civilian type surpluses are turned over to them by the Army, may sell for American

dollars to UNRRA for the rehabilitation of the economy of a nation for which we might otherwise be called upon to make relief appropriations through UNRRA. Therefore there is a question of judgment as to whether, for instance, it would be helpful to us to sell these goods on the spot, to an agency such as UNRRA, for American dollars, to be used in an adjacent country for the quick rehabilitation of its economy rather than box them up and transport them back to the United States.

There is another question involved, namely, the maintenance of a military force sufficient to guard the goods. I think we can bring the matter out a little more clearly if we point out that there was approximately \$3,000,000,000 worth of civilian type goods in the European theater; 75 percent of the civilian type goods of the Army Service Forces was located in a theater other than in the Pacific. But in the European theater of operations the instructions given to the military, as I understand them, were not to bring any of these items home. In the case of the United Kingdom they were turned over to the United Kingdom in what is called a bulk sale. It is my opinion that in France a bulk sale negotiation is now in progress. So in the European theater the civilian type items are not being brought back to the United States, although 75 percent may be found in the European and adjacent theaters, and only 25 percent found in the Pacific.

The decision to dispose of the goods in the European theater was made, in my judgment, by the military authorities in conference with Mr. John Snyder. Whether it was a wise decision is a matter of conjecture. It might have been better, so far as we were concerned, to bring the goods back to this country rather than sell them to UNRRA for the rehabilitation of devastated areas, or to prepare them for wholesale disposal in a bulk sale to the governments of the countries in which they were located.

Consideration must be given to the assembly of these items, crating them for transportation, the availability of ships, which is not a problem today, because we are told that of 10 cargo ships returning to the United States—9 are without cargo, or at least could have taken on a considerable amount of cargo over and above what they are bringing home.

The attitude with reference to the European theater is directly contrary to the position taken by some authorities with reference to the Pacific theater. No doubt the nations which were eligible to UNRRA relief were given some consideration. No doubt the devastation of the nations in which the materials are located was given some consideration, and no doubt the presence of our forces to guard the material was given some consideration.

It occurs to me that there should also have been consideration of certain critical items vitally necessary to our own economy, so that we could the more quickly produce goods necessary for the relief of UNRRA-eligible countries, the relief of the devastated areas, and the re-conversion of our own economy.

Perhaps the entire subject should be weighed, and a list, perhaps a small list, of vitally critical items should have been brought home. But the position taken by the authorities with references to the European theater of operations is that all civilian type items should be left where they are, but should be disposed of through the Foreign Liquidation Commission, or by sale to UNRRA, or by sale to eligibles.

When we talk about eligibles, we find restrictions set up by foreign countries, of the character and nature of licenses, which result in the elimination of competition in the sale of these items, so much so that perhaps the particular country itself is the only customer to which the Foreign Liquidation Commission would have to sell the goods, outside of UNRRA, and outside of our own military or naval authorities.

I understand that in the Pacific general orders have been sent to theater commanders to return all civilian items to the United States, those which we need critically, and those of which we already have an abundance in our market.

Whether that is a wise procedure is a matter of judgment, but it must be considered that there is less likelihood of sale in the case of all civilian items in the islands of the Pacific. There is a possibility that some disposition might be made of them to China, and to the Philippines, and perhaps to one or two other potential buyers.

There is no reason why they cannot be brought back now, because an abundance of cargo space is available. There is no reason why this entire subject could not be given further consideration, so that from the Pacific we would bring back the items critically needed, and perhaps from the European theater also, because if we are to be called upon to provide for veterans' houses, as we should be, and if we need automotive equipment, which is available in substantial supply in the European theater, the goods should be brought back to the United States. Weight should be given to the importance of that problem. It occurs to me the problem is not receiving the continuous consideration it should receive.

Mr. President, I should like to have permission from my colleagues to put into the RECORD page 33 of our report, submitted to the Senate a short time ago on the investigation of surplus property overseas. This report is dated March 22, legislative day of March 5. The table is headed "Summary of the United Kingdom war-settlement account." In the table will be found the important item of unconsumed lend-lease, the total amount in dollar value being \$5,617,934,850.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. FERGUSON. Has the Senator from New York the figures to show how much now remains unused of the \$10,000,000,000 worth of lend-lease furnished to Russia? Are those figures available?



Mr. MEAD. It will have to say to my colleague that as yet those figures have not been furnished to our committee.

Mr. FERGUSON. But the figure of \$5,617,000,000 just given by the Senator is out of the \$30,000,000,000 furnished to Great Britain?

Mr. MEAD. Yes. I shall put the whole tabulation in the Record, but at this point I wanted to bring out the percentages which were at issue a few moments ago.

The unconsumed lend-lease totals \$5,617,934,850. Then we find the following:

Offset: Total unconsumed reverse lend-lease, \$65,190,000.

Net total unconsumed lend-lease, \$5,552,144,850.

The amount to be paid to the United States for that was \$472,000,000.

The percentage of cost we received for our original investment was 8.5 percent on the dollar.

Then there follows the item:

United States surplus property.

This differs from the original property.

Original cost of United States surplus in United Kingdom, \$498,000,000.

The amount to be paid to the United States for that \$498,000,000 in the United Kingdom settlement was \$60,000,000.

The percentage of cost was 12. That is the percentage we realized on our original investment.

Mr. MAGNUSON. Mr. President, will the Senator from Delaware yield to permit me to ask the Senator from New York a question.

Mr. TUNNELL. I yield.

Mr. MAGNUSON. That is for everything?

Mr. MEAD. That is for United States property other than lend-lease.

Mr. MAGNUSON. That was the bulk sale; items of which may be worthless or worth something or have certain degrees of worth.

Mr. MEAD. That is correct.

Mr. MAGNUSON. Everything was thrown in.

Mr. MEAD. Yes. Now with respect to the materials in the pipe line on the way over or about to be shipped, the cost of lend-lease material in pipe line was \$301,000,000.

The cost of reverse lend-lease in the pipe line was \$130,000,000. That is an offset that is coming in this direction.

Net claims to the United Kingdom against our lend-lease account, \$53,020,000.

Total offsets against pipe-line lend-lease, \$183,020,000.

That leaves a net total of pipe-line material of \$117,980,000.

Amount to be paid to the United States, \$118,000,000.

It will be seen that we realized on the pipe-line material 100 percent of our cost, because, after reverse lend-lease materials were credited and claims were adjusted, we received in this bulk sale, according to this itemized account under the heading of Pipe-line material, 100 percent on our original investment.

And then finally, we find the items:

Transfer to United Kingdom, net total, \$6,033,164,850.

Amount to be paid United States (in 50 annual installments, running to 2001 A. D.), \$650,000,000,000.

That is the over-all. That represents what we received and the \$6,033,164,850 represents what they received.

The percentage of recovery on the total transaction was 10.7 percent on the dollar.

Mr. BILBO. Mr. President, will the Senator from Delaware yield to me so I may ask the Senator from New York a question?

Mr. TUNNELL. I yield to the Senator from Mississippi.

Mr. BILBO. I appreciate that our beneficent Government, or someone representing it, gave away \$25,000,000,000 worth of lend-lease, for which when we voted it the President assured us we would be paid, and then sold about \$6,000,000,000 worth of surplus property to England for \$650,000,000. I understand all that, and I want the people of this country to know about it. But the Senator spoke about UNRRA buying some of these goods. What kind of price is UNRRA paying for this war material? I want to know if UNRRA is getting as good a bargain as our English cousins got.

Mr. MEAD. No. I have the UNRRA figures in the report. It is my understanding that UNRRA is paying us a very substantial price for what they are purchasing. UNRRA is our best customer abroad.

Mr. BILBO. And there is no monkey business, so far as UNRRA is concerned?

Mr. MEAD. UNRRA purchased out of the British sale goods valued at \$45,222,174, for which UNRRA paid \$26,468,569. In other words, we realized 58.4 percent on the dollar in our sales to UNRRA.

Mr. BILBO. That is a wonderful showing in comparison to the other.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MAGNUSON. I think the RECORD ought to be made clear, after the statement just made by the Senator from Mississippi. Is it not true that when UNRRA buys articles they buy articles that they need and can use?

Mr. MEAD. Selective articles.

Mr. MAGNUSON. Yes; and when we sold on a smaller percentage on the dollar to England we threw in everything; we threw in things which were worthless, things which they could use, and things of various degrees of utility.

Mr. MEAD. We sold material which would have cost us more to demilitarize and bring back to this country than it was worth. So in some instances we struck a good bargain in turning the material over to the United Kingdom.

Mr. MAGNUSON. It may be that in some instances we did not.

Mr. MEAD. Yes.

Mr. MAGNUSON. But there is a difference between the two transactions of which we are speaking.

Mr. MEAD. Over all we were extremely liberal, but there are some involvements that have not been brought out as clearly as they should, and I thank the Senator from Washington for making the point he has made.

Mr. MAGNUSON. I should like to ask the Senator from Delaware one more question. Did the Senator from Delaware and the Senator from California find great stores of goods throughout the Pacific in naval and military bases and in the ETO, and particularly Army bases, that had not been declared surplus, but were excess and merely lying around?

Mr. TUNNELL. We found large quantities that had not yet been declared surplus.

Mr. MAGNUSON. I will say to the Senator that I think, as a matter of fact, a part of this trouble also can be projected into the military, not particularly respecting surplus, but with respect to the great amounts of materials, such as steel, which are now lying around in Army and Navy bases and which the military is for some reason reluctant to declare surplus. There are in military and naval bases many kinds of steel which the military have not declared surplus. If we can jar some members of the military into action, so they will declare surplus some things which they can hardly project in their own minds they will use later on, we will have brought back to this country some of these critical materials. I know the Senator wants that to be done.

Mr. TUNNELL. The Senator is correct in that statement. I do not blame the military too much, because for a long while the military did not know what was to be expected of them. They did not know how long they were to be in the Pacific. They did not know whether they had to have these war materials and equipment. They hesitated, and in fact the first suggestion, as I remember, was that they keep sufficient material for 5 years.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. FERGUSON. The theater commander is greatly handicapped respecting what he should declare to be surplus or excess. If he were to retain sufficient material for 5 years, he would keep thousands of items, whereas if his forces were to be withdrawn immediately, he could declare almost all his material surplus and have it returned to this country. But the orders have not come from the top, giving him an idea as to what his job would be; and I think on many occasions he has not been able to determine what are surplus materials.

Mr. MAGNUSON. When I speak of the military I mean the policy makers at the top. I think they have been holding off and not issuing orders for the release of a great amount of material which the American public could use in reconversion.

Mr. MEAD. Mr. President, will the Senator from Delaware yield on the point just raised by the able Senator from Washington?

Mr. TUNNELL. I yield.

Mr. MEAD. The suggestion is that the military is not declaring these surpluses rapidly enough. That suggestion was more applicable up until the first of the year than it is today. Our committee has worked very closely with the military and naval authorities; and I

think the record will show that surpluses are being declared by them very rapidly. But the disposition of surpluses after they are turned over to the War Assets Administration is slowed up. Why that is, is another subject entirely. It may be involved in the several reorganizations which have taken place. In the opinion of some it is the result of legislation which established both a policy-making board and an administrator. That situation has now been cured, and the activity is all housed in the same agency and under the same head.

However, I feel that the military and naval authorities in this country should be complimented because of the manner in which they are expediting the declaration of surpluses. I am sorry that that could not be said all along the line, because there is a serious bottleneck which impairs the progress of our economy. That bottleneck arises because of the presence of critical items in the depots and warehouses, rather than in the field where they could be helpful to us in reconversion to normal peacetime production. I am afraid that such materials will become all too available when the market is being inundated by private enterprise.

Mr. MAGNUSON. At the wrong time.

Mr. MEAD. Yes. Then they will hurt the economy rather than lend assistance.

Mr. TUNNELL. Mr. President, I should like to say just a few words in regard to the points which have been rather cursorily discussed.

With reference to UNRRA, everywhere throughout the world we found that UNRRA was the best customer we had. That statement applies not only to the quantity it takes, but the price which it pays. So I do not believe that any just criticism, expressed or implied, can be made of the position of UNRRA with reference to these surpluses.

With reference to lend-lease, I should like to clarify the suggestion in that connection. I do not know how the Senator from Mississippi [Mr. BILBO] might have understood it, but I never thought that there was to be any real repayment of lend-lease. The only theory on which I voted for lend-lease, and the only theory on which I would vote for it again, is that I believed it to be beneficial to the United States of America. Therefore I favored it. I believe that we did the right thing. When \$25,000,000,000 or \$30,000,000,000 was put up for lend-lease, I am not sure but that it saved, in actual dollars, many times that amount. Certainly the saving in lives was worth far more than that amount.

Mr. BILBO. Mr. President, will the Senator yield for a question?

Mr. TUNNELL. I yield.

Mr. BILBO. Has the Senator ever heard of President Roosevelt's statement that lend-lease—after taking into consideration reverse lend-lease, of course—would be paid back to this country in the kind and class of materials and goods which we gave in the process?

Mr. TUNNELL. I do not recall that I thought at the time, or that I have ever thought at any time since—

Mr. BILBO. I am not talking about what the Senator thought. I am asking

him if he ever heard what President Roosevelt said about it.

Mr. TUNNELL. Does the Senator want me to tell him what someone else thought? I am trying to tell him what I think.

Mr. BILBO. I simply wished to know whether the Senator had ever heard of the fact that the President assured Congress that lend-lease would be paid back in the same kind of material which we were giving to the British.

Mr. TUNNELL. I have heard the Senator talk about it, but I have never understood that the President ever thought that it was to be paid back dollar for dollar. It was not a loan.

Mr. BILBO. He did not say that. He said that it would be paid back in materials.

Mr. TUNNELL. I am not sure but that the blood of American boys is material of value.

Mr. BILBO. I do not understand the Senator's observation.

Mr. TUNNELL. I do not know whether the Senator understands or not, but I think the American people will.

So far as UNRRA is concerned, its operations have been aboveboard, and the deals which have been made have been fine. So far as lend-lease is concerned, I am satisfied with the agreement which was made with Great Britain as to lend-lease. I believe that we used it for a purpose which resulted in benefit to the United States; and I do not think there is any use in criticizing either Great Britain or ourselves in that connection. There are plenty of things about which we can criticize Great Britain, perhaps, but I do not believe that that is one of them.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. KNOWLAND. While the Senator is discussing the fact that UNRRA has been our best customer for overseas surpluses—which, of course, is a fact—I believe it should be pointed out that of the funds which UNRRA has, approximately 71 percent is donated by the Government of the United States.

Mr. TUNNELL. That is correct; but UNRRA is taking from us goods which are for sale or for disposal, and, under all the circumstances, is paying a reasonable price for them. So I do not believe that that is a matter for serious criticism.

I wish to touch upon one other subject which has been brought up in the discussion, and that is the idea of getting our surpluses disposed of so as to get our boys home. I think that is an exceedingly important subject. I do not like the idea of keeping millions of boys overseas to guard surpluses which are deteriorating, and which in many instances were half worn out before the war was over. I am referring to jeeps, and many kinds of machinery which were used in the war. Those articles have served their purpose, and the time has come for us to get our boys home, wherever they are being maintained for the purpose of guarding so-called surpluses. If we must take less than things are worth—which we shall have to do—let us do it. Let us get rid of them, and in no case keep an American

Army on foreign soil for the purpose of guarding rapidly deteriorating surpluses.

Mr. President, I am almost finished. I thought I was finished an hour ago.

As can be seen from the figures to which I have referred, the civilian type surpluses aggregate nearly \$3,000,000,000. Of course, much of the \$3,000,000,000 worth of surpluses are types of items which would not be helpful to our economy and returning them here would only adversely affect the market in those items. However, it is also very plain, although accurate statistics as to exact quantities are not yet available, that among the \$3,000,000,000 worth of civilian type surpluses abroad there should be sizable amounts of building materials, construction machinery, and other items which would be very useful to our economy.

Mr. President, from all the information which I have been able to obtain, there need be no fear that the return of this material will glut the market. The present rate of production of critically short building materials and critically short construction machinery is so low and the demand is so great that it is estimated that it will be 2 years before the rate of production can possibly catch up with the demand.

From the point of view of meeting critical programs, furnishing necessary housing and other building, from the point of view of furnishing employment, from the point of view of combatting inflation, and from the point of view of obtaining the maximum return to our Government for its investment in these surpluses, I cannot see how there should be any doubt about the action which should be taken by the Office of War Mobilization and Reconversion in this matter. I think that agency should be severely censured for failure to take positive, forthright and effective action up to this time. I hesitate to characterize failure to take action from this point on.

Mr. KNOWLAND. Mr. President, I wish to give my support to the statements just made by the senior Senator from Delaware, and I would like to add a few comments of my own on this same vital matter.

I am privileged to be a member of the subcommittee of the Mead committee which recently returned from a round-the-world inspection trip. I have seen with my own eyes vast quantities of urgently needed civilian-type items scattered all over the world. The items on the list of March 11, 1946, which has been mentioned by the senior Senator from Delaware as being a compilation of critical commodities whose return to the United States from surpluses overseas was recommended where they were in new or serviceable condition, are all in tremendous demand in this country and are desperately needed in the civilian economy now trying to recover from a long and painful war.

Some of the items on this list which are so sorely needed are asphalt roofing, cast-iron soil pipe, and all species and sizes of lumber, in the field of building materials. Fractional horsepower motors, in the field of supplies needed by



small businesses which are reconverting to civilian production; and work shirts, overalls, and coveralls for the workingman in industry and on the farm across the Nation. The Army and the Navy have not yet been able to inform the committee of the quantities of these and other items on the list of March 11 which they have in stocks overseas, but we know full well that quantities of any size which are returned afford relief to the economy of our Nation.

For example, the committee has been informed by the Civilian Production Administration that the estimated present rate of production of asphalt roofing of all types is about 69,120,000 squares annually. The estimated demand during 1946 for these types of roofing, which will be used extensively in the veterans' housing program, is 72,175,000 squares.

Cast-iron soil pipe is being produced at present at the rate of 324,000,000 tons annually. While the peak rate of production obtained in prewar years was 564,000,000 tons per year, the estimated demand for this item during 1946 is 645,000,000 tons. There is little doubt that a large percentage of this cast-iron soil pipe will also go into the veterans' housing program, where it will be badly needed during 1946 and for several years to come.

Current production of all species and sizes of lumber is at the rate of about 27,500,000,000 board feet per year. The estimated 1946 demand is 36,700,000,000 board feet.

While we all recognize that the stocks of the Army and Navy should not be reduced, either in the continental United States or in overseas installations, to a point which would require their going into the open market in the United States in competition with private business, I believe that all will agree that these stocks should be reduced to the absolute operating minimum.

Mr. President, small business in the United States has been engaged for several months, and is currently in the process of retooling and otherwise refitting its shops and factories for the production of countless items for civilian consumption. The future health of our country's economy depends in large part upon the ability of this segment of American business to obtain needed supplies for this process of retooling.

One of the items most needed is a great quantity of fractional-horsepower motors, needed to drive the tools in these factories and shops. The current production of fractional-horsepower motors in standard sizes and types is at the rate of 850,000 units a year. Our peak rate of production during prewar years was attained during 1 month in 1941 at a figure of 1,546,000 units. The Civilian Production Administration estimates that pent-up demand in 1946, including orders placed and accepted and estimated orders not yet accepted, totals 30,000,000 of these fractional-horsepower motors. Such motors would carry a value of \$220,000,000, as compared with our present rate of \$6,240,000 of motors annually.

Across the Nation, on the farms, in the woods, and in the factories, large and small, the workingman needs clothing for his day-to-day wage earning. The

Civilian Production Administration has estimated for the committee that work-shirts of all materials are presently being produced at the rate of 4,850,000 dozen per year. The peak production of these shirts during prewar years was at the rate of 6,850,000 dozen, but the estimated demand for the year 1946 is at least 7,000,000 dozen. Overalls of all materials are being produced at the rate of 3,600,000 dozen annually, but the 1946 estimate demand is 5,000,000 dozen pairs. Coveralls, largely used by the factory worker, are being produced at the rate of 500,000 dozen pairs per year, while the estimated demand for 1946 is 600,000 dozen pairs.

Mr. President, there is no doubt in my mind that large quantities of the items which I have mentioned are contained in stocks of the Army and the Navy in its hundreds of overseas installations. This was recognized through the issuance of the critical list mentioned by the senior Senator from Delaware.

The Mead committee is now seeking to obtain the statistics on quantities of some of these items which are located abroad. In my opinion, these are facts which should have been ascertained by the Office of War Mobilization and Reconversion many months ago. Apparently that office made no effort to ascertain such facts.

When these figures are obtained, I will urge that the committee make them public immediately, in order that the executive departments and the people of the country generally may understand exactly what they have been deprived of through the inaction of the agency responsible for protecting and advancing the interests of our domestic economy.

I also wish to emphasize the point made by the senior Senator from Delaware that although there has been procrastination and delay in this matter, there still remains an opportunity to accomplish some good, if action is now taken forthwith. According to the information received by the committee from the War Shipping Administration, anything that can be loaded on vessels between now and July 1, 1946, especially from the European and Mediterranean theaters, will be returned by the War Shipping Administration to this country for the Army and the Navy without a freight charge. That leaves us approximately 60 days in which to take advantage of this economy in shipping. I also wish to emphasize that the War Shipping Administration has stated to the committee that they can move any quantity that the Army and Navy are able to load aboard their vessels.

If this problem is attacked with a will, we still can achieve great benefit to our domestic economy; and I personally urge the Office of War Mobilization and Reconversion, in spite of past performance, to attack this problem immediately and vigorously and enlist the enthusiastic cooperation of the services in rapidly loading the vessels which are available with the materials which are needed in our domestic economy so desperately.

In closing, Mr. President, may I say that I consider it to be a grave dereliction of duty that the Office of War Mobilization and Reconversion has not seen fit to tackle this problem with vigor and constructive action. A policy should have

been established long ago so that these urgently needed supplies could be fed back into our economy. The United States is now in a crucial transitional period. The millions of dollars' worth of critical civilian-type items now rusting or rotting in foreign areas must be returned promptly. Otherwise we cannot hope to push forward our vast housing program. We cannot provide the jobs nor can we stave off the inevitable maladjustments and crises that are sure to arise if our citizens are denied the tools and materials with which to work. We can ill afford to have scarcity amidst rapidly rising prices much longer.

Mr. BARKLEY. Mr. President, I have just been handed copy of a release issued by Mr. John W. Snyder, Director of War Mobilization and Reconversion, with reference to matters which have been discussed today by the Senator from Delaware [Mr. TUNNELL] and the Senator from California [Mr. KNOWLAND]. Mr. Snyder states that it was always the earnest desire of his office to cooperate with the Special Committee To Investigate the National Defense Program. I have not had a chance to read the release in full, but I ask unanimous consent that it may be inserted in the RECORD following the remarks of the Senator from California, whose remarks followed immediately after those of the Senator from Delaware [Mr. TUNNELL].

There being no objection, the release was ordered to be printed in the RECORD, as follows:

In answer to questions raised by the Senate War Investigating Committee, John W. Snyder, Director of War Mobilization and Reconversion, reported today on actions taken by his office to expedite the return of critical surplus items from overseas.

To date, a total of 163 Army and Navy vessels have returned or are en route from the Pacific with cargoes of surplus material, a large proportion of which consists of critically needed civilian-type items, Mr. Snyder said. Of these, 95 are Navy ships and 68 are Army ships. An additional 122 ships returning critically needed surplus materials will arrive by September 1946. This means that between February and September, 1946, a total of 285 Army and Navy vessels will have arrived from Pacific ports with a total cargo of 2,000,000 tons of surplus materials, the major portion of them new or serviceable items usable by civilians, Mr. Snyder said. Among the items returned are: new lumber and other building materials, machine tools, construction machinery, automotive maintenance equipment, laboratory instruments, medical instruments and equipment, storage batteries and electrical equipment, and scarce metals.

This record has been made possible by the following actions taken by the OWMR:

1. On January 23, Mr. Snyder issued instructions to the War Department to return to the United States 31 ships predominantly loaded with civilian-type items of surplus. These ships had never been unloaded, and had been at anchorage for several months.

2. On February 18, Mr. Snyder instructed the War and Navy Departments to ship back to the United States from the Pacific all civilian-type items, except those which were declared surplus locally for sale within a reasonable time, provided the items were new or in serviceable condition. To expedite the disposal of this surplus in the United States, instructions were given to make up ship loads of the same or similar type materials, and to fly back manifests of ship cargoes to the United States in advance.

3. On February 18, 1946, Mr. Snyder created an Interagency Committee, under the chairmanship of a representative of the Civilian Production Administration, to prepare by March 5 a list of critical items that should be returned, for the guidance of commanding officers in the Pacific.

4. On the same date, Mr. Snyder instructed the War Assets Administration to hold special prompt sales of this property on its arrival in the United States.

5. On March 1, the Interagency Committee presented its list of critical items, which the War and Navy Departments forwarded to commanding officers. This list was revised on March 14 to include additional items. The Committee remains in existence, and adds or removes items from the list as the situation warrants.

Following is the schedule of ships already returned or soon to return from the Pacific with cargoes of critical surplus materials:

*Return of Army ships from Pacific with surplus materials*

	February	March	April	May	June	July	August	September
Already returned: Pacific Ocean anchorage (subtotal).....	5	23	3					
To be returned from—								
Hawaii (subtotal).....				5	3	3	2	
Japan-Philippine area.....			11	9	17	12	8	9
Maranas area.....			3	3	3	3	3	0
Guadalcanal-Noumea area.....			3	3	3	3	3	1
Subtotal.....			17	15	23	18	14	10
Total.....	5	23	20	20	26	21	16	10

*Return of Navy ships from Pacific with surplus materials*

Number of ships:	
Arrived to date.....	22
En route.....	73
Loading in forward areas.....	18
To be loaded.....	31
Total.....	144
Monthly schedule:	
March.....	11
April.....	11
May.....	40
June.....	40
July.....	20
August.....	12
September.....	10

**PROPOSED LOAN TO GREAT BRITAIN**

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. SALTONSTALL. Mr. President, we are now considering whether or not to make a financial agreement with England. We must decide first what is best for our country and our citizens and, second, what are our responsibilities as one of the two strongest nations on the face of the earth today.

As in other problems that will be facing us in the days to come, we must recognize our inherent strength. We must acknowledge to the world our faith in the future of the United States. We must remember that the respect in which we are held by other nations depends upon our confidence in our own ability to understand their problems and to assist them when they need our help.

They want us to learn to understand their problems, and they want to be able to place their confidence in our strength, not only physically, but morally and economically.

Our strength at home lies in our economic resources, our well-being, and our military power. Our economic strength depends upon the safety and security of the world, not only physically but economically as well. Freedom from want and freedom from fear were two of the freedoms announced in the Atlantic Charter, but are yet far from a reality. We have faith in the United States. We have faith in its future. Certainly, no Member of this body would sell the United States short today. Faith in our future grants us certain privileges and involves us in certain responsibilities.

I believe that we must look upon this financial agreement with England as much more than merely a credit or loan. It is a means of further bolstering our security and economic well-being by increasing the chance for a more prosperous and financially sounder England, and, through the British Commonwealth of Nations, a stronger world. This agreement is an effort on our part to procure a more prosperous United States and thus create more jobs and opportunities for our citizens at home. It is from this background that I look upon this present problem.

England, with sweat and blood and tears, held the fort against the domination of evil forces until we were ready with guns and tanks and men. England's economy has suffered tremendously. The ravages of war fell upon the homes and industries of England. The war left the people of England a tired nation. In the words of Marriner Eccles, Chairman of our Federal Reserve Board, "They need a blood transfusion to help them regain their international economic health." To restore their foreign trade, which forms and gives them the basis of economic security at home, they need our financial help.

England has always been dependent on her exports for her livelihood. Any unfavorable balances of trade have previously been met by income from securities and all types of investments made abroad. England has always been a creditor nation. Today she is a debtor nation. To tide her over the immediate future she needs a credit in dollars. Dollars are required by her to set her wheels of industry turning in order that she may get the raw materials with which to produce exports and thus get her own credits in the world at large.

When you and I make a loan, there are at least three motives that may impel us to do so. First, to help ourselves get business; second, to put our money to work on an investment basis; and, third, to assist a friend who needs our help.

In making this credit to England, we can immediately eliminate the second reason for making a loan. We have no money to put to work on an investment basis. The United States has the heaviest debt in its history. It has no idle funds that it wants to put to work.

I have just said that none of us wants to sell our country short. We must have

faith in our future, faith in our ability, and faith in the ability of the nations of the world to work with one another for their own economic well-being. If we have not this faith, then certainly we must not act favorably on this agreement.

In my opinion we are granting this credit for the most part to get business for ourselves. We believe it is good business to do what we can to try to restore the sick and anemic trade in the world to a sound and profitable basis. Our reason for making this loan is to help get business for ourselves throughout the world by helping our neighboring country—England—reestablish itself on a sound economic basis.

Before the war the British Empire purchased 42 percent of our exports. Of this amount, England alone purchased 17 percent. England and the British Commonwealth of Nations were our best customers. We hope to average in this country an annual national income of at least \$140,000,000,000 a year. If we do not we shall have difficulty in meeting our tax bills. We hope that in 1946 this figure may be nearer \$160,000,000,000 a year. This estimate is based on Treasury calculations of income-tax payments made in March. But to reach this income annually, we must export goods and machinery.

We produce in this country more goods and machinery than we can sell to our own people. The little difference between a good year and a fair year to us in the United States depends to a considerable extent upon the comparatively small percentage of our products which we export. The export of from seven to ten billion dollars' worth of our production may make just that difference. That may not be true this year or next year because of the shortages created by the war, but it will again become true; and when it does, we want to be able to trade throughout the world. England has been our best customer, and it is to our advantage as a businessman to make it possible for her to continue as our best customer. We want these goods and machinery to be paid for in due course.

England today is a debtor country. England today needs credit. England, like ourselves, wants to eliminate the sterling bloc. The sterling bloc prevents her from trading freely with the world. The sterling bloc prevents us from trading with many parts of the British Commonwealth of Nations and also with other sterling areas of the world. We need to eliminate it. We want to trade with the members of the British Commonwealth of Nations. We want to trade with the other nations of the world. It is to our advantage to have the dollar more broadly used in international affairs.

Today there are countries which deal internationally in the pound sterling. We want those countries to deal in the American dollar as well as in the pound sterling. If this agreement is consummated and a greater economic stability is established, we expect England to carry out its understanding and permit further dollar credits in the international trade of the world.



The potential possibilities of trade with the rest of the world are enormous. Our citizens represent only 5 percent of the population of the world, and yet before the war we created about 45 percent of the industrial wealth of the world—and today, even more. If peace can be maintained, the so-called backward countries of the world can be brought to a higher standard of living than ever before. This does not mean they will necessarily take business away from this country. It means, rather, that we shall greatly expand the opportunities which we have to deal with those countries. The machine tool, for instance—and many are made in Massachusetts—is the basic commodity of all industry, and more than 50 percent of the machine tools we manufacture are exported. Prosperity and a higher standard of living in the other countries of the world will go a very long way toward expanding and maintaining our own prosperity.

As a world power, our opportunities in the future world are great; but they can be fully realized only by increasing the number of countries that will deal directly with us in dollars, and not indirectly in the pound sterling.

Then there are the members of the British Commonwealth of Nations that have their mutual trade agreements with England. We want to get a fair share of their business. To accomplish this result we are extending this credit to England and are asking as one of the conditions of the business deal that we, in due course, get an opportunity to deal directly with these nations on an equal basis with England.

The war has forced England to incur, in the form of frozen sterling balances, foreign obligations to the extent of approximately \$12,000,000,000. These are sterling balances; and until a medium is found by which they may be exchanged for dollars, our trade is largely excluded from this so-called sterling bloc. England and her Commonwealth of Nations, as well as the other sterling areas of the world, unless they can find some method by which these sterling balances can be converted into dollars, must necessarily protect their sterling credits. That protection takes the line of expanding the so-called sterling areas in which trade is conducted in sterling, and dollars are excluded from that trade. This forces the world into a competitive system between the countries that trade in dollars and the countries that trade in sterling. Such competition can only end in furthering disagreements and economic uncertainties. The obligations which we have incurred in the shooting war which has just been ended demand our best effort to restore the world to a healthy economic trade basis.

I have stated that a third reason for extending a loan or credit may be to help a friend. We want to remember that while England owes much to us, we owe much to the fortitude of the English which held the fort in the dark days of 1940 and 1941. England and ourselves are the great English-speaking Nations of the world. We hope that we shall always be good friends. We hope, too,

that we may be strong competitors for world trade, and thus stimulate a better world economy.

There are many reasons why we might not make this agreement, but we must always remember that oftentimes the loans which help us the most and give us the greatest satisfaction are the ones which gave us the most anxiety and created the greatest doubt in our minds when we made the decision to execute them.

The alternative to making this agreement is to refuse it. In future years I do not want to find myself in the position of having refused to help make this agreement possible, and then learn that our citizens in this country have lost jobs because we have lost trade through sterling blocs and sterling areas established by England to regain her own economy. I do not want to take the chance of such an economic collapse in England that the peace of the world may be endangered. Such a collapse can only result in injury to our own citizens and our own economic future here in the United States. We cannot be economically prosperous here with England's economy in chaos.

Three billion seven hundred and fifty million dollars is a very large sum of money, but not too large when it is compared with the present annual income of this country. This sum could undoubtedly be used for other purposes within the United States. We want to balance our budget. We want to cut our expenses. But we must decide whether in the long run it will be of greater advantage to us and our future well-being in the United States to extend this credit to Great Britain. The question for us to ask ourselves is, Will the making of this agreement create more jobs and bring more income and higher standards of living to us here in the United States than to refuse it or to use the money for other purposes within our own borders?

I have wondered many times why it was not a misnomer to call this a British loan or credit agreement. It has seemed to me that this was a poor method of salesmanship on the part of our administration. It has seemed to me rather an investment in the future prosperity of our country. It is a credit that we are advancing for a comparatively short time when we compare 50 years with the future growth and life of the United States. A prosperous United States depends upon the security and prosperity of the world. The prosperity of the world depends upon the countries of the world trading with each other. We live today in a sick world which has yet to make an established peace. We can never expect to make a satisfactory peace with people who are hungry, with people who are economically sick, with people who cannot look beyond the day in which they live because of their own hunger, and their inability to buy the necessities of life.

After the First World War we did not join the League of Nations. We did loan large sums of money privately and publicly to other nations, and to private groups in other nations. At the same time we maintained high tariff walls around this country. We allowed our

Army to become impotent. We permitted our Navy to lose its effectiveness as an up-to-date fighting force. We refused to arm the bases that might have helped secure the safety of our country. We completely failed to develop an air force. Now the shooting part of the Second World War has been won. After VE-day, and even before VJ-day, we joined the United Nations. We have a present policy tending to improved trade relations. We have joined the world bank and the monetary plan conceived at Bretton Woods. We now have the most powerful navy in the world, and a strong army. In industry we are the acknowledged leader in the world, and one of its two most powerful nations. Thus certain responsibilities as a leading world power have devolved upon us. The agreement which we are now debating is one of the problems that we face as a world power.

If we approve the agreement, time alone will tell whether we made a mistake in doing so. Likewise, if we refuse to approve it, only time alone will tell whether we were right in doing so. I prefer to accept the philosophy of going forward along a course not well charted but at least intended to lead to a more peaceful and prosperous world with better opportunities and more jobs for our citizens, than to approve the philosophy that we have done enough and that it is not necessary for us to go along with another new, but uncertain arrangement.

I believe that in our consideration of this whole problem it is not so much a question, Can we afford to make this agreement? but, rather, Can we afford not to make it? I shall vote in favor of the pending joint resolution.

Mr. SMITH. Mr. President, it has been a great gratification to me to find myself in accord with the distinguished Senator from Tennessee [Mr. McKellar], who spoke earlier today, and with the distinguished Senator from Massachusetts [Mr. Saltonstall], who has just completed addressing the Senate with reference to the British loan.

The remarks which I am about to make on this subject were prepared by me more than a week ago, and before I had heard the addresses which were delivered by the distinguished Senator from Michigan [Mr. Vandenberg], and the distinguished Senator from Ohio [Mr. Taft]. I am glad to record here my appreciation of the splendid analysis of the subject which was made by both Senators. Of course, inasmuch as they arrived at different conclusions, it may be of interest to point out that we have before us a subject which is amenable to different interpretations. In my judgment, individual interpretations depend largely on the point of view which each of us takes in approaching the entire matter.

Mr. President, I shall vote in favor of the British loan with the positive conviction that it is a "must" in the general international trade policy of the United States, and that such policy is a part—an essential part—of our policy to cooperate in all measures supporting collective security and world peace. Whatever our past policy of international relations may have been—call it isolationism, self-sufficiency, or nonentanglements—

we are now truly one world in this new and unexperienced atomic age.

I wish to digress for a moment to emphasize how important I believe the atomic age to be in connection with this controversy.

The British loan, as I see it, is another milestone on the road to peace, just as was Bretton Woods and the United Nations Charter—just as is our support to UNRRA and world rehabilitation—just as is our determination to help save the starving millions. Each successive crisis must have our sympathetic understanding and aid.

We have committed ourselves to a policy of international economic cooperation, to the end that problems affecting the economic relations of countries may be dealt with through discussion and agreement rather than through economic force. Our policy has two aims: First, we wish to see world trade, as a whole, expand so that all countries can share; second, we wish to see eliminated economic warfare—a warfare which in the past has been an important contributing factor to armed conflicts.

We have endorsed these objectives by our approval of the Bretton Woods monetary stabilization program which aims to give businessmen of all countries access to world markets on fair and equal terms.

We want no more economic blocs, no more trade embargoes, no more quota restrictions, no more currency depreciations, no more blocked currencies.

Aside from the essential importance of expanded, over-all international trade to strengthen the forces which unite peoples, we in the United States have a very special and selfish interest. No country will profit more than will we by the removal of the economic barriers that divide people. We have become the great creditor nation, and it has given us the challenge to try our hand in world leadership in finance and trade. Will we use this great opportunity to help other nations to help themselves and to help raise world-wide living standards in which we would inevitably share? Or do we want to see the world drift into separate economic compartments, each compartment striving to maintain a bare existence?

Are we looking up and across the mountains through a telescope, or are we looking down with a microscope at the obstacles immediately under our feet?

I am not unmindful, Mr. President, of the great danger of oversimplification of the issue. I am aware of the complexities of the problem. I do not claim any expertness in international money matters. I know that \$3,750,000,000 is a staggering amount of money. I have no way of convincing myself definitely that this loan can ever be repaid, although I am confident that it will be if we continue on the road to world peace. I must ask myself whether we can afford to make this further investment in our faith in the ultimate success of the United Nations program to maintain that peace, and to create a cooperative rather than a destructively competitive world.

Where does our national interest lie?

Let me review the situation somewhat more in detail.

In simplest terms, as I see it, the question is whether we should extend to Great Britain a credit of \$3,750,000,000—plus \$650,000,000 in payment for lend-lease balances—in return for her promise to repay principal with interest over a 50-year period starting at the end of 1951, and her pledge to give the fullest possible support to the kind of world trading system which it is the declared policy of both the United States and the United Nations Organization to promote. That promise is the essence of this proposal.

The sum we risk is great, as I have said, but financial risks have meaning only when related to resources and when considered in terms of alternatives. The line of credit provided by the loan will amount, at most, to a claim on two-fifths of 1 percent of our gross output for the 5- to 6-year period over which it may be used. I am not belittling the amount, but I desire to relate it to the over-all picture which the Senator from Massachusetts has just shown of what our output may be in the next 5- or 6-year period. The interest rate charged, while moderate, is higher than our Treasury is paying upon current borrowings. The risk entailed seems to be within our resources as a creditor. In the considered judgment of the American and British technical experts who worked over the intricate accounting for many months, the amount and terms offered will suffice to allow Britain to relax her system of foreign trade restrictions, and to expand exports sufficiently to pay her debt commitments.

What is the alternative? I think this is most important for us to consider.

Without the loan, Britain appears to have no recourse but to maintain and extend the system of bloc trading which she adopted under stress of world depression and world war. If Britain follows this course, as pointed out Monday by the distinguished Senator from Michigan [Mr. VANDENBERG] she will carry with her a large part of the sterling-area countries—all British Commonwealth and Empire countries—except Newfoundland and Canada—plus Egypt, Iraq, and Iceland, and many of the nations with which the United Kingdom has payment agreements, Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, Uruguay, Belgium, Czechoslovakia, Denmark, Finland, France, Netherlands, Norway, Portugal, Spain, Sweden, and Turkey. That is worth pondering.

Altogether, the United Kingdom's area of sterling activity accounts for more than half of the world's imports and exports combined. It likewise is crucial to the trade of the United States. In the years immediately preceding the war, the sterling area and payment-agreement countries provided about one-half of both the import and export trade of this country. This is vitally important to us, from a purely selfish standpoint.

Russia undoubtedly will continue to conduct her foreign commerce exclusively upon a state trading basis. Before the war, the Soviet Union transacted only a little more than 1 percent of foreign trade business, but its future sphere of influence will be large; it may embrace as much as 30 percent of total interna-

tional trade. Let us think of that, the sterling area on the one hand, and Russia on the other, with two different concepts of trade, the British desiring to get rid of controls in order to open up trade, and Russia offering a state trading proposition.

If the weight of British influence in foreign trade is thrown toward the Russian pattern rather than toward ours, it is apparent that bloc trading, with its bilateral deals, exchange controls, import and export quotas, subsidies, currency manipulations, and the like, will be the prevailing pattern for foreign transactions. It is a contest between a state trading closed system and an open free economy.

In self-protection, the United States would have no alternative but to conform to the dominant pattern. Should the dominant pattern be state trading, we should be forced to form our own bloc, and to enter into active economic warfare in bidding for trade concessions against the offers of our rivals. How well we would do this is problematical.

Under a system in which political and economic motives are fused, a democratic nation, and particularly one with a tradition of freedom in its domestic enterprise, would operate at a disadvantage. We should inevitably be driven toward more and more Government control.

With a pattern of foreign trade in which our exports regularly are greater than our imports, our bargaining position in international trade is weaker than our economic strength suggests. Under state-controlled trading we should still find it difficult to compete successfully without resort to loans. Under such conditions our loans would be supporting a system alien to our interest and economic convictions. The loan we are discussing today is a loan in line with our economic convictions. There is a difference.

Under a regimented system which made economic decisions subservient to political considerations, it seems reasonably certain that the volume of world trade would shrink. The standard of living in the United States would suffer in common with others. We would be forced into a drastic curtailment of certain war-expanded parts of our economy, at the very time when a large portion of the world was most in need of our products.

It seems safe to predict that in the years immediately ahead from two-thirds to three-quarters of all international trade will be transacted either in pounds or dollars. If both the United States and Britain are united in a determined effort to restore competitive world markets, to which buyers and sellers alike have access without discrimination, that will be the dominant system of foreign trade.

I wish to emphasize that, Mr. President, because it is the key to my whole argument. If both the United States and Britain are united in a determined effort to restore competitive world markets, to which buyers and sellers alike may have access without discrimination, that will be the dominant system of foreign trade. If the sterling group is com-



pelled to continue a closed bloc, our singlehanded effort cannot preserve the trade pattern that we believe offers most to us and to the world.

No one can accurately measure the costs to the United States of refusing the loan and accepting the consequences. But unquestionably dollar and cents cost to us would be far greater than the sum risked in the proposed credit. We would lose through the shrinkage of our trade, through the wrench of violent readjustments in our production programs, and eventually through the curtailment of our over-all output below what it would be under an open rather than a closed system. We would lose heavily in our freedoms under a procedure that can be followed with success only by a close regimentation of procedure as well as trade.

Most of all, we would lose an opportunity for aggressive, helpful leadership. We would be saying to the world that we are still unprepared to accept a responsibility to which our giant stature as the possessor of almost half of the world's economic capacity calls on us to accept. So I ask in all seriousness, shall we let the world down now, in the face of that challenge?

There has been some disposition in this country to regard the loan to Britain as charity. I submit that this is not the case. We are not called upon to act as Santa Claus. We are called upon rather to act as doctor to a sick patient.

The kind of economic system we want has never functioned and cannot operate now without a lender. The doctor is the lender. He gives the lifesaving injection. For many decades prior to World War I Great Britain filled the creditor-doctor position to many countries. In 1913 her foreign investments totaled \$19,000,000,000, and she not only made such transactions pay, but they proved her salvation through two tragic world wars. Her credits helped in the industrial development of a large segment of the world, including our United States. And now, of all the nations in the world, only the United States can take on this responsibility.

But let me point out that the loan is not a one-way street. Britain put a substantially greater proportion of her relatively meager resources into the war than we did, and dissipated a large share of her foreign holdings in the process, while accumulating an outside debt of devastating proportions. On a per capita basis her internal debt is greater than our. Consequently, many Britons feel that the terms of the proposed loan are too rigorous. But the majority believe that the present offer gives a fighting chance to restore the system of world trade that we and Britain both want, and upon which the World Bank, the Monetary Fund, and the International Trade Organization under United Nations leaderships are based. Without our loan this whole program may fail. Its failure may well take us down with it.

The loan is not without precedent. Canada already has provided for a loan to Britain of \$1,200,000,000. This amounts to almost a third of the pending proposal, although Canada's population is less than 10 percent of ours, and her income is little more than 5 percent

of ours. And Canada has closer economic ties to us than to Britain.

The way to help remake the world at this moment in our history is to lead. Nothing could be more ineffective than to go halfway toward establishing the economic order in which we believe, and then withhold an immediate opportunity to make it work. Failure to approve the loan to Britain will be a default in our leadership. I a moment of great crisis, we must act, and act promptly. To fail Britain now may well be interpreted as our judgment that Britain is through. I am unwilling to make such a judgment.

Does this loan set a dangerous precedent?

I may say, Mr. President, that I asked a number of my banker friends about that, and I have received replies which I have tried to consolidate into an answer to the question, Does the loan establish a dangerous precedent?

With the Anglo-American agreement awaiting approval by Congress, it is well known that other countries are, or soon will be, knocking at our door. No doubt most, if not all, could obtain credit in reasonable amounts through the Export-Import Bank, the International Bank to be set up under Bretton Woods, or, in a few cases, regular market channels. Will the lower interest rate and other special considerations of the British loan be regarded as setting a precedent, encouraging other countries to expect similar treatment?

There is a real danger. There is, however, no proper analogy between the case for Britain and that for any other country. Quite apart from the natural feelings of friendship that exist between the two great English-speaking democracies, the compelling argument for Britain is that country's outstanding importance as a great center of world trade and finance on which many other countries depend. Without a freely convertible sterling there will be scant hope of achieving the multilateral trading system which has been the traditional goal of this country. Of no other currency save the dollar is this true to anywhere near the same extent. Not on the basis of sentiment, or of looking backward, but on the basis of our own interest in world-trade recovery, the British position is wholly exceptional.

But I believe that we may be called upon to assist other nations within the reasonable limits of our resources. We are certainly justified, however, in demanding that future loans to other countries must offer: First, comparable security; and second, comparable cooperation in supporting an international trading world in which we believe. We probably shall be glad to assist other countries in helping us set up such an organization in the trading world, and certainly, as has been brought out in this debate, the kind of political system that means freedom for oppressed peoples. If those conditions could be met, I would find myself in favor of helping other nations to the extent of our ability.

Let us bear in mind that Britain and the United States have legitimate essential interests in common. We both depend on an expanded world trade for maximum employment for our respective

peoples, and both are in agreement as to how to bring this about.

Let me sum up my conclusions.

While we are making a large loan to Britain, it is repayable and, in my opinion, it will be repaid if we can restore a normal world. While the interest rate is low, it is as high as could be made in light of Britain's economic condition. On the part of the United States, we get assurance of the following things which are of vital importance:

A trade war, involving currency manipulation, import quotas, embargoes, subsidies of various kinds, will be avoided by the major trading nations;

Trade blocs will be discouraged in the United States-British trade areas, where our largest foreign trade is carried on;

The so-called British Empire preferences, which mean discrimination in favor of the British Empire against other countries, will not be extended and will ultimately be removed;

Currencies, under United States-British leadership, will gradually be stabilized on a modified gold-exchange basis and the United States and Britain will stand together against the race to revalue currencies;

New trade opportunities for the United States will be opened up because the dollars earned by British Empire countries must be spent in the United States, and under the arrangement will be free from any British control.

In conclusion, Mr. President, as I analyze the advantages to us, after conferences with administration officials and other financial experts, the United States is to be given its chance to try its hand in world leadership in finance and trade. It is to have assurances that the policies which we in the United States favor in world trade will apply among the major trading nations of the world. This is because by the United States-British agreement the other nations will be brought into line with our world trade policy. We will be setting the pace for general international world trade.

So far as Britain is concerned, this arrangement will put less pressure on her for complete socialization. Britain will be able to operate more like a solvent concern and less like a receivership. Loaded with debt and short on outside working capital, Britain, in the opinion of most of the experts, would be under great pressure to accept tight regimentation and rigid government control over the operation of her whole economy. It is believed that with our aid this may now be avoided.

Mr. President, I am convinced from my study of the situation and the appearance of the postwar world, that the financial arrangement with Great Britain is distinctly to the advantage of the United States. Furthermore, it is an essential further milestone on the road to world understanding and peace.

I shall vote to approve the loan.

Mr. McKELLAR obtained the floor.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. McKELLAR. I am very anxious to have the appropriation bill passed, but I yield.

Mr. BILBO. I shall be through in a few moments.

Mr. President, day before yesterday I was practically concluding my remarks on the British loan and the diversion of funds which the American people, through their Congress, thought they had, for the payment of \$3 a day to all GI's who served in the recent war on this side of the ocean, and \$4 a day to those who rendered foreign service.

The more I think about this loan proposition and the more opportunity I have to investigate it, the more horrible it seems for the American Congress to give away \$3,750,000,000 with no hope and practically no promise of it ever being repaid. As was developed this afternoon in the discussion with the Senator from Delaware [Mr. TUNNELL], we actually gave the British \$29,000,000,000 in lend-lease; but there was a reverse lend-lease or credit which we were ready to give them for materials which they furnished our Army over there, which left a net of \$25,000,000,000 which we gave to the British. In addition, as was developed this afternoon, we sold them about \$6,000,000,000 worth of surplus war material for only \$650,000,000. Of course, some of the speakers on this question have put the two items together and said that the \$650,000,000 was for lend-lease and war materials. As was developed the other day, the \$650,000,000 is to be paid at the rate of \$50,000,000 at a time, and not \$1 of it will ever be spent on American soil or for American interests unless it is spent on the soil of the British Empire.

When we think about the comparative resources of the two countries it is amazing, because today the British Empire has a population of 558,350,760 people. The area of the British Empire in square miles—not water, but land—is 13,324,753 square miles of land, with timber, gold mines, and diamond mines, and metals of all sorts. They have unlimited possibilities, far greater than ours.

On the other hand, the United States has only 3,735,223 square miles of land, including all her possessions and the Philippines, as against more than 13,000,000 square miles. Our population is approximately 139,000,000 against a population of more than 558,000,000 for the British Empire.

I merely mention these facts to show the contrast. And yet with all these resources, and with all these people to earn and to take care of the welfare of the British Empire, they come here hat in hand, to a Nation which has only 3,000,000 square miles of territory, and a population of only 139,000,000 people, begging for \$3,750,000,000 of our money, of the people's tax money. This is on the heels of a very gracious act on our part—someone did it; I have not been able to find out who did it—in giving the British \$25,000,000,000 in lend-lease, and selling them \$6,000,000,000 worth of surplus war materials for \$650,000,000—materials which the GI boys could have used advantageously in this country.

There has been a great to-do this afternoon about the return to the United States of surplus war materials on the islands of the Pacific or scattered in some of the smaller countries of Europe. We

have to fetch them home and give our GI boys a chance; but someone said to the British, "Here is \$6,000,000,000 worth of materials which you can have for 10 cents on the dollar."

Mr. President, I think I can finish in a few minutes. The Senator from Tennessee [Mr. McKELLAR] is very anxious to have an appropriation bill passed. Everyone seems anxious to spend Uncle Sam's money.

According to figures from Jesse Jones, Britain's debt is approximately \$80,000,000,000 while ours is approximately \$272,000,000,000.

The public debt of Great Britain was listed as 22,398,000,000 pounds on March 31, 1945—World Almanac, 1946. With the approximate value of \$4 per pound, this would be \$89,592,000,000. In other words, Britain's debt is between eighty and ninety billion dollars, while ours is nearer \$280,000,000,000.

According to Jesse Jones, British-owned assets in this country aggregate more than \$3,000,000,000, and include \$587,000,000 United States Government securities, more than \$40,000,000 in corporate bonds and 623 controlled branches of corporations having a value of \$611,000,000.

It is also estimated that British assets in other countries than our own total some \$8,000,000,000, their unmined gold reserves have been estimated to be worth at least \$15,000,000,000, and their diamond reserves as much as \$8,000,000,000. Britain also has several billion dollars in cash.

An important article which I ask to include in the RECORD at this point is from the Indianapolis News, March 12, 1946, and is entitled "Credit Men Hit Loan to Britain."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**CREDIT MEN HIT LOAN TO BRITAIN—SAY RECORD SHOWS LITTLE HOPE OF UNITED STATES COLLECTING**

Merritt Fields, executive manager of the Indianapolis Association of Credit Men, today issued a statement opposing the proposed loan to Great Britain.

His statement follows:

"The proposed loan to Britain is a credit matter that affects everyone's pocketbook. We do not like England as a credit risk. If we were handling your money for you, we would not give England one nickel on credit, for England's credit record is bad. Our officials have agreed to give England on credit \$4,400,000,000 and this huge credit is now before Congress for approval. From a credit standpoint, all you really want to know is, Will England pay?"

"The Socialists are running England now, but even before that England was a bad credit risk on the basis of her past paying record; and her largest credit grantor made this notation on his books: 'Uncollectible—had to charge it off.' Uncle Sam, probably humorously referred to in European circles as the CCC—champion credit chump—charged off as uncollectible a little sum of only \$6,000,000,000. We taxpayers are Uncle Sam. We gave England a credit including interest of \$6,000,000,000 in World War I; she didn't pay, so the champion credit chump lost \$6,000,000,000. England got the money from the United States Treasury and when she didn't pay, the Treasury made you pay by adding it on to your personal Federal tax."

#### LEND-LEASE SUBTERFUGE

"Are we taxpayers really in favor of giving England another \$4,400,000,000 on credit? It is reported in advance of voting on it that the Treasury doesn't really expect England to pay this new credit; that even if she doesn't pay, it will be a good investment in a customer; that we should loan her the money so she can buy from us, then we can afford to lose the money. That doesn't make credit sense. Many of the British themselves frankly say in advance of congressional approval that the loan will never be paid back. We quote from the Loan News Weekly: 'The chances are that long before America can collect there will be a new international conflict to throw the loan and many kindred superstitions into hogwash.'

"Do you, a taxpayer, regard this new loan as a superstition? After World War I we gave England 62 years to pay off the first loan, but she paid it for only 9 years, amounting to 6 cents on the dollar, and after 1933 the United States Treasury (you) didn't collect one more nickel. In the recent war we gave England another credit amounting to \$25,000,000,000, only the ingenious Mr. Roosevelt did not call it a credit, he called it lend-lease, and, in a message to Congress relating to lend-lease, said 'For what we send abroad we shall be repaid within a reasonable time following the close of hostilities, in similar materials or at our option in other goods of many kinds, which they can produce and which we need.'"

#### BILL IN CONGRESS

"This \$25,000,000,000 of lend-lease under the agreement now before Congress will be settled for 3 cents on the dollar to be paid running into the century 2000. As has been pointed out by credit executives, on the first credit granted England we collected 6 cents on the dollar and lost 94 cents on the dollar; on the \$25,000,000,000 of lend-lease we will get 3 cents on the dollar (if England pays it) and now we are to lend her \$4,400,000,000 more.

"We wonder if it is good credit judgment for our American taxpayers to try this same customer again on credit, and on the basis of England's past paying record can we, in view of our own heavy obligations, afford to write off another credit of \$4,400,000,000 as uncollectible? And we wonder, if England is a decadent nation, can we afford to keep propping her up with these credits of \$6,000,000,000, 94 percent of which we wrote off as uncollectible, and \$25,000,000,000 of lend-lease, 97 percent of which we have written off as uncollectible.

"Some American liberals say this credit to England is too complicated for the ordinary taxpayer to understand, etc. We have noticed in our business, which is the credit business, that whenever a credit transaction becomes too complicated to understand, there is something wrong with it. There is nothing complicated about those last two loans to England; on the basis of the paying record—all that really counts—England, in our opinion, is a bad credit risk for you as a taxpayer. Many American liberals want to loan money again to England. In the past we have taken some of these 'liberals' apart and find their mainsprings to be made of other people's money. They are always liberal with that, and we think their credit judgment should be somewhat discounted. A bill furnishing an ideal solution to the controversy has been introduced in Congress. It provides for a Government bond issue to be bought by those American taxpayers who believe it good business to loan the money to Britain, these bondholders to be paid off when Britain repays the loan.

"If those who like the loan to Britain are sincere and believe in backing their judgment with their own money, they should urge Congress to issue these special bonds



so they could buy them. Thus the taxpayers who don't want the loan made are satisfied, and so are its proponents. American taxpayers, in our opinion, have no business loaning anybody a single dollar, for we are already in the red approximately \$280,000,000,000. If Congress disapproves the loan, England will somehow get along without it and American taxpayers will have the money to apply on their own debts which exceed those of all other nations combined. In any event, it is your duty to tell your men in Washington whether you are for or against the loan. That is the way to make our representative Government work."

Mr. BILBO. We should know from past experience that this loan to Britain will not be repaid. We have already noted the figures which show that, as of July 1, 1945, Great Britain owed us almost \$6,500,000,000 unpaid principal and interest on her World War I debt. She does not come seeking a new loan with "clean" hands—the old debt has not been paid. Under these circumstances, are we going to be so foolish as to fall for the old scheme again and send billions of dollars belonging to our taxpayers across the sea when we know full well that the money will never be coming back?

If we should make this loan to Britain, she would then owe us a total of almost \$11,000,000,000 on World War I and II debts. There is no valid excuse whatever for approving this new loan and sending additional billions of our money to be used by the Government of Great Britain. We did not even receive the gratitude of the British for making the World War I loan, for our Nation was criticized for even requesting that England honor her obligations and repay the loan which we had made.

Britain's financial condition is far from desperate. Englishmen still boast of an empire that embraces one-fifth of all the land in the world, and it is still true that the sun never sets on the flag of the United Kingdom. Britain has land, investments, and resources the world over. An article from the Times-Herald, January 1, 1946, which I ask to have printed in the RECORD, presents a picture of something other than British poverty.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### POOR BRITAIN HAS TWO BIGGEST GOLD DEPOSITS

CHICAGO, December 31.—The British Government, whose representations of dire poverty recently resulted in preliminary approval of a loan of 4,400,000,000 American dollars, has within its Empire two of the world's largest and most precious wealth-producing mineral deposits.

These are in the British Commonwealth's Union of South Africa and contain diamond and gold mines. The diamond mines are said to produce 90 to 95 percent of the world's supply, and the gold fields are termed "easily the largest and most important in the world."

#### PILE DEBT ON DEBT

The \$4,400,000,000 peacetime loan is pending in Congress, and if approved will be piled on top of a defaulted \$4,000,000,000 from World War I, and "settlement" of \$25,000,000,000 of so-called lend-lease goods delivered in World War II.

Although the British say they cannot meet these obligations, the value of diamonds produced in the Union of South Africa in 1940, the latest year for which figures are available,

totaled £331,996,528 sterling. At the present rate of approximately \$4 for each pound, this amounts to \$1,327,986,112.

#### COULD HELP CLEAR DEBT

How part of this output could be sent to this country as part of a debt-reduction program is shown in figures released recently by the Justice Department. Assistant Attorney General Berge said United States imports of these stones annually total 1,000,000 carats for such industrial purposes as grinding, drilling, and polishing. He estimated value of the former at \$100,000,000.

Apparently the largest operator in this field is De Beers Consolidated Mines, Ltd., Kimberley, named as a defendant in a monopoly suit started by the Justice Department a year ago. De Beers owns large or controlling interest in more than a half dozen companies and had net income of £5,240,321, or approximately \$20,960,924, in 1943.

The company owns 1,327,929 acres of land in South Africa and holds the rights to minerals and precious stones on another 105,067 acres. It also has preemptive rights to diamonds in the Colony of Northern Rhodesia.

#### HALF OF GOLD OUTPUT

The Union's largest gold deposit is in the Transvaal Colony and is called the Witwatersrand gold mining field, discovered in 1886. The Transvaal Chamber of Mines asserts that it produced in 1929, a "little more than half of the world's total output."

In 1934, the latest year for which figures are available, this and other fields in the Union produced 10,480,000 fine ounces of gold valued at £72,311,000, or approximately \$289,244,000.

Hans Pirow, government mining engineer of South Africa, described his country's gold-mining industry as a "national asset which has aroused the envy and admiration of the world." He said there were no signs of it diminishing for "at least a generation."

Mr. BILBO. The salary which is paid to the King of England is another thing which does not indicate that the British Government is a pauper. The annual allowance given the King by the British Parliament is £410,000. At the present exchange rate of \$4 per pound, this amounts to a yearly allowance of \$1,640,000, which is more than 28½ times as much as the annual salary of the President of the United States.

Britain's former Prime Minister, Winston Churchill, is reported to have once said that he did not become Prime Minister to liquidate the British Empire. If England is able to retain her Empire, work out her own problems, and plan for her future, then well and good. However, if the British Empire can only be saved by the expenditure of American money, then I suggest that perhaps the time for some liquidation has come. The war is over now and no one can justly say that the United States of America did not furnish her share of the armed forces who won the victory nor that she did not supply her share of materials and equipment. We all know that this Nation did its part in winning the victory. The war debts which we in this country owe are tremendous, and the taxpayers throughout our Nation are bearing a heavy load. They have not sent us here to the Congress—we did not become Members of the United States Senate—to increase their tax burdens and those of their children by giving away billions of dollars of American money to Great Britain or to any other country.

The American people also know that the present Government of Great Britain is socialistic. Such a system is directly opposed to our American principle of free enterprise, and even if we had the money to give away, the American people are in no mood to furnish the money to pay for the British experiment with socialism. An article by Mark Sullivan from the Washington Post of September 23, 1945, which I ask to have printed in the RECORD, is timely and worth while.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### MONEY AID TO BRITAIN SHOULD DEPEND ON USE BY SOCIALIST REGIME

(By Mark Sullivan)

The American people and Congress are in process of making up their minds on a question: Shall we extend assistance to Britain—loan, gift, or what-not? From the complex tangle of many reasons pro and con, Republican Congressman KNUSTSON, of Minnesota, picks one. He says America should not help finance the experiment in socialism which Britain, under its new Labor government, is now making. President Truman says that to take such a reason into account would be silly.

To find a path between these two extremes of position, we should need to know just how far Britain is going in socialism. The answer is difficult for Americans to know. Leaders of the Labor Party disagree strongly among themselves. Those party leaders who are also officials of the Government, and who are therefore responsible, such as Foreign Minister Bevin, have only a limited program.

Mr. Bevin is probably the strongest man in the Cabinet, and his objectives are not materially unlike those of any ordinary trade union. Long the active and responsible head of the largest labor union in Britain or of the world, the Transport Workers Union, Mr. Bevin does not differ extremely, in experience and views, from our late Samuel Gompers, long head of the American Federation of Labor.

During Mr. Bevin's brief tenure as Foreign Minister, he has taken a conservative line in world affairs. He has vigorously condemned the new governments set up in Balkan countries, which are prevaillingly Communist and under Russian domination. Of these he said: "One kind of totalitarianism is being replaced by another."

#### HE GRIPS REALITY

If America could be sure that the British Labor government would reflect the personality and policies of Ernest Bevin as they now appear to us, we would not need to consider it as a reason entering into our decision whether to give financial assistance, nor as otherwise seriously disturbing.

It may be Mr. Bevin will dominate the Government; he is a thoroughly dynamic person. Himself an authentic worker, who has gripped reality with muscle and mind, he has a hearty distaste, frequently and forcefully expressed, for so-called intellectuals and extremists who head the left wing of the Labor Party.

But the intellectuals and left-wingers must be taken into account. Some of them, while not officials of the Government, are important as spokesmen and officials of the Labor Party organization. Their program is as extreme as possible. Sir Walter Citrine says: "I think it would be an excellent thing if the British Government were able to plan production, consumption, and the general economic life of the country in the way that is done in Russia."

The official head of the Labor Party organization and its most truculent spokesman is Prof. Harold Laski. He advocates complete

socialism, not only for England, but for the world, which includes the United States. He advocates and predicts the extinction of free enterprise everywhere, called by him capitalism. He says it should be the mission of the British Labor Party and Government to extend socialism to other countries.

#### CONDITION AWKWARD

If America believed that the program of the Labor Party government in Britain would be what Professor Laski says it ought to be, a missionary for the extinction of free enterprise everywhere, we would certainly be justified in not extending financial assistance. In the world-wide conflict between free enterprise and varying forms of socialism and collectivism, the United States is the largest defender and practitioner of free enterprise. As such, it would hardly be expected that we should finance a competition bent upon the destruction of our system.

Even if we do not take Professor Laski too seriously, as many Britons assure us we need not, there remains an awkward condition. The program of the British Labor government, even by the mildest interpretation, means the nationalizing of some industries; the process has already begun. Seeing this, certain questions arise:

Can the labor government nationalize some industries without being forced gradually to nationalize all? Is the labor government likely to nationalize what is Britain's largest industry—international shipping and trade?

If Britain's foreign shipping and trade should be nationalized, it would become extremely difficult for us to keep our foreign shipping and trade on our own basis of free enterprise and private ownership. Hence the crucial question is this: If we give Britain financial assistance to build up its economic position, including especially its international trade, can we be sure that this trade will not be nationalized to our great detriment?

Mr. BILBO. Even if the American people should be convinced that Great Britain must have this loan in order to survive during this postwar era, and under these circumstances agreed to the loan, it should be only on condition that we be given security for the repayment. England failed to honor her obligations to us following the last World War, and surely that should be sufficient to put us on guard so that we may take the necessary precautions to secure repayment of any new loan. Great Britain has investments and resources and she is more than able to put up sufficient security for the amount of money which she needs. An Associated Press release of January 31, 1946, which I ask to have printed in the RECORD, states the views of a prominent Canadian who believes in honoring obligations and repaying debts.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN SHOULD PAY UNITED STATES DEBT IN BASES, CANADIAN DECLARES

ALBANY, N. Y., January 31.—Canada's war-time munitions chief said last night that Britain should pay her debt to America in Western Hemisphere bases or by other "mutually satisfactory" settlement.

William Flockert Drysdale, speaking as a private citizen, declared the grim specter of debt forgiveness must not arise "in this new age of infinite threats and dangers" as it "so unhappily arose after the First World War."

Mr. Drysdale, in a speech before the Albany County Historical Society, said Britain's obligations to the United States "are and remain

debts until they are fully acknowledged and liquidated."

"Contractual arrangements for payment," he said, could be "either by permanent cession or by leases of lengthened tenure of present or different lands in or contiguous to the waters of the Western Hemisphere, and/or by such other media of installment payments as are mutually satisfactory."

He said England's staggering war losses, especially the destruction or damaging of 4,000,000 homes, must be replaced "if Britain is to continue as a useful ally in the company of enlightened nations."

"Between neighbors and allies and comrades in past times of peril that may arise again there must be no sordid question of the cost of such human and necessary help. \* \* \* Past, present, and future they are debts of moneys and credits of health and safety, especially called for and gallantly provided."

Mr. BILBO. There are four agencies which have been established to meet the needs of foreign countries that must have our help. They are: The United Nations Relief and Rehabilitation Administration, the International Fund, the International Bank, and the Export-Import Bank. The administration says that as a general rule it expects the needs of foreign countries to be met through these agencies, but in this instance, Great Britain is a special case which should be granted a loan by congressional action. Our Treasury officials say this will not establish a precedent for other loans by the same method because no other country has the same crucial position as Great Britain with reference to world trade.

But how can we say that granting a loan of \$3,750,000,000 to England will not establish a precedent? Already France has indicated that she must have a loan of some \$6,000,000,000 and Russia has likewise intimated that an American loan of six billions will be sought. China, Italy, Belgium, Poland, and a dozen other nations are also waiting in line to see what we do about the British loan and on what terms we make the loan. It has been estimated that the total sum of the loan applications which will be made by these foreign countries will be about \$20,000,000,000.

Each nation expects equal treatment and if we grant the proposed loan to Britain, we will certainly be setting a pattern and establishing a precedent for future loans to other countries. Surely everyone knows that we cannot give our money away forever. There is a limit not only to our funds but to our resources. We are already in debt further than most of us ever dreamed that we would be. As of June 30, 1945, the public debt of the United States was \$258,682,187,410, or \$1,853.10 for each person in this Nation. It is now about \$280,000,000,000.

The taxpayers of this Nation have a right to expect the Congress to look after their interests when this loan to Britain is being considered. The time has passed for Uncle Sam to play Santa Claus; we have no money to give away to Great Britain or to any other foreign government.

The proposed loan to Britain has no businesslike qualities. It should be called what it will, if granted, actually

become—an out-right gift. There is a lot of money involved in this proposal in anybody's language—\$3,750,000,000—and a number of promises; Britain gets the money and we get the promises. The American people have no way of defeating this raid on the United States Treasury except through their chosen representatives. The interest of the taxpayers should be protected and this loan should be defeated by the Congress of the United States.

Mr. President, Secretary of State Byrnes has urged approval of the British loan and has expressed the opinion that there are no sound arguments against such action. Mr. Byrnes thus asks us to lend Britain this \$3,750,000,000 at 1.62 percent interest, payments on principal and interest not to begin until 1951, and to be strung out over a period of 50 years. Furthermore, Britain may omit payment of the interest at their own convenience.

Mr. Byrnes pointed out that Britain was our largest customer before the war, and now that war debts have left Britain impoverished, we must help that country with our dollars to become our largest customer again. He hopes that Britain will use part of this loan to purchase goods in the United States. Big business interests in America may likewise be hoping to receive some of this money, but it is difficult to see what the taxpayers of this Nation are going to get out of the deal. We put up the money and Britain gets the goods. No, indeed, even if Britain should promise to spend all of the money in this country, that would not be good enough reason for granting the loan. If American industry is anxious to sell to Britain, let them accept Britain's promise to pay and extend credit. It may be true that Britain needs to buy over here, but the buying should not be done at the expense of the American taxpayer.

Mr. Byrnes also hopes that the United Kingdom will abolish tariffs and preferences which have kept American goods out of the Empire to a large extent. But he cannot make a definite promise that Britain will do this after receiving our money.

The Secretary of State failed to point out that Britain owes us an unpaid balance of some \$6,000,000,000 on the loan made to that country following World War I. Neither did he remind us that Britain now has a socialistic form of government. This, however, is something which we must not forget. Socialism is in direct contrast with our American form of government; it is opposed to the American brand of capitalism. If we make such a loan at this time, we will be strengthening the cause of socialism in Britain and doing a great deal to insure the success of this experiment in the United Kingdom. British socialism will then be financed by American dollars.

If we grant the proposed loan, the precedent will be set for the granting of similar loans to practically any foreign government who comes over here seeking financial aid. It has been reported that the amount which Russia is seeking is \$6,000,000,000. This was the figure which was said to have been mentioned to several American Congressmen who



recently visited Russia. And for what would this money be used? It would be spent to finance communism in Russia—to strengthen a system of government which is directly opposed to our American form of government. Stalin said in a recent speech that capitalism is the root of all worldly evil. With this statement, he directly attacked the United States of America for we are the world's foremost example of a capitalistic Nation.

Socialist Britain and Communist Russia may say that we are economically backward and not in step with the times. They may denounce our form of government, but the denunciation has a queer sound when they are coming to us for loans. They may dislike us economically, but they are ready and willing to take our dirty dollars and use them to finance their programs at home. Well, we have the money; they say they have not; then let them work out their own finances under their system of government. We have no funds available to be given to British socialism or to Russian communism.

We helped Great Britain out of World War I and World War II. During World War II we gave to Britain \$29,000,000,000 worth of lend-lease. The war is over now and we are staggering under war debts of our own. We have no money with which to continue to finance the British Empire and we should defeat this proposal to send \$3,750,000,000 of our money across the sea to Britain never to be returned.

Mr. President, in my opening remarks I stated that my speech had a twofold purpose. The first part has been devoted to a discussion of the proposed British loan and reasons why this gift loan should be defeated. The second part is, in my opinion, much more important, for it concerns the American veterans of World War II. The proposal which I wish to make is that we spend this \$3,750,000,000 and all the billions that we will be asked to loan other foreign countries to the tune of twenty billion or more for bonuses to be given to the men and women who served our Nation during the armed conflict which has just so recently ended.

The following quotation is from an editorial in the Times-Herald, February 17, 1946:

It seems to us that the sensible thing to do, if we must fling these billions around, is to fling them to the World War II veterans of the United States, not, in effect, to the Russian and British war veterans.

That would mean big, fat bonuses for our own boys. It would be inflationary, true, and not all the money would be spent wisely. But virtually all of it would at least be spent in this country, and the real wealth it bought—houses, autos, clothes, furniture, etc.—would stay here.

This would be real, direct stimulation of United States business, for a while at least, instead of roundabout stimulation, via Britain and Russia, with no guaranty that such stimulation ever would arrive.

We're in favor of our veterans joining the American Legion in large numbers, and going out after bonuses for themselves, and too bad about loans to foreigners—especially foreigners whose record of debt payment is bad.

I wish to repeat the following suggestion as to the use of this \$3,750,000,000 and other billions of dollars which may be loaned to other foreign countries: Instead of lending it to Britain as a loan, which we know will never be repaid, let us give it to the veterans. We could pay each veteran a bonus and in this way we would be giving the money to our people—to the men and women who served this country in its hour of peril. With this sum, we could pay each veteran \$3 per day for each day that he served in the United States and \$4 per day for each day that he served overseas. The maximum amount of the bonus for any one individual should be fixed at either \$3,500 or \$4,500—\$3,500 for those who served the entire period of service in this country and \$4,500 for those who served outside the continental United States.

The men and women who served in our armed forces deserve our gratitude and our praise. They also deserve to be helped by this Government in a material way. They gave up their homes, their jobs, left their families and loved ones to answer their country's call to arms. These veterans are now returning to civilian life. Many adjustments must be made; many obstacles must be overcome. There are problems of jobs, homes, future security. We must not leave these service men and women to fight their battles alone. We can and we must help them.

The Congress has already passed the GI bill of rights, which is an attempt to do more than any Government in history has tried to do for those who fought the Nation's battles. No other nation has ever gone so far in an honest effort to help, to restore, and to reorient the veterans of any war as they have returned to civilian life. Every returning veteran should familiarize himself with the provisions of the GI bill of rights, as amended, and secure all available information about this measure so that he might take advantage of the manifold benefits offered under its provisions. We are trying to help and benefit these veterans and to secure their rights and privileges under the GI bill.

This bill is, of course, not yet perfect. The process of administration must be simplified and the cumbersome entanglements must be eliminated. There is too much red tape at the present time and this should be cut down and placed at a minimum. The Veterans' Administration should make every possible effort to administer this law smoothly, to give efficient and prompt service, and to see that every veteran understands his rights and is accorded his full and just benefits under this law.

The Government has provided under the GI bill that veterans of World War II may go to school at Government expense. This is one of the greatest opportunities which has ever been offered to American youth and I certainly hope that large numbers of our returning veterans will take advantage of this provision of the GI bill. They may attend colleges or universities or may receive vocational training in the occupation of their choice. Those veterans who are eligible to go to school or receive training under this law should seriously consider such a possi-

bility, for it is a splendid opportunity to prepare themselves to enter their chosen profession, to go into business for themselves, or to secure employment in the field of their choice.

There are many provisions of the GI bill. In passing this law it has been the intention of the Congress to do its utmost to help and benefit our veterans. We have made an honest attempt to protect their welfare and to secure their rights. It is true that there are some defects in the law—some of the imperfections are legislative and many of them have been brought about in the process of administration. But we are going to perfect this law. The necessary changes must be brought about through amendments passed by the Congress and smooth and efficient administration must be guaranteed by the Veterans' Administration. Our service men and women entered the armed forces and they continued to serve, continued to fight, until the victory was ours. We must now be as faithful and loyal to them as they were to us. We must continue to work in their behalf until every right and privilege to which they are entitled has been protected and guaranteed by law.

This Government has made provisions for our veterans to borrow money and this is indeed necessary and proper. Many of our veterans will need loans as they make financial adjustments and prepare to enter business for themselves, and we must see to it that the necessary funds are available to them. Under the present conditions, veterans may borrow money at 4 percent interest and this one fact is within itself sufficient reason why the British loan should be defeated. When our veterans want a loan, we offer the money to them at 4 percent for 5 years and when Britain wants a loan we offer that country \$3,750,000,000 for 55 years at 1.62 percent interest! There is neither reason nor justice in such a situation. Let us give the benefits of our generosity to our own veterans—those who fought and won the war for us. An article in the form of a letter to the editor and entitled "Loans to England Better Than GI's," which I ask to have printed in the RECORD, was published in the Daily News, Batavia, N. Y., January 5, 1946.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOANS TO ENGLAND BETTER THAN GI'S—MIDDLE-PORT MAN SAYS EX-SOLDIERS GETTING WORST OF UNITED STATES GENEROSITY—CAN BORROW LITTLE

TO THE EDITOR OF THE NEWS:

Fifteen millions of the flower of our manhood fought and won the war, not only for the United States but also for England and other nations. Today, our boys are coming home. They will want a farm, a home, a business, a career. Many will need to borrow money. Their Uncle Sam will loan them only half the amount they need at 4 percent for 5 years.

But when England wanted a loan, this same Uncle Sam offered her \$4,400,000,000 without any interest for the first 5 years, and only 2 percent for the next 50 years. And for this England says we are Shylocks taking our pound of flesh. Then, too, the United States just canceled a debt of \$25,000,000,000 loaned England in World War I.

Is that giving our boys a square deal? Should they not have the right to borrow at as low a rate and for as long a time as any foreign country for which they fought? If our country has billions for foreign lands, well and good. Let them have it. Our foreign loans now are \$20,000,000,000. Our debt on World War II is \$300,000,000,000. The cost of running the United States Government last year was \$16,000,000,000.

When our Government contracted these ridiculous debts, it did so knowing full well that this terrible burden would fall, not upon their shoulders, but upon the boys who so bravely fought that we might live.

Now, what do our returning veterans find? They find themselves crushed under a burden of debt infinitely larger than the world ever before dreamed of—a debt these boys had no voice in making. For them, it was only to do and to die. For this, millions volunteered—not one shirked. They gave up their homes, stored their furniture, sold their cars. Their wives and children were thrust upon relatives. They abandoned their careers, from 2 to 4 years existed in misery in far-distant lands in all kinds of fox holes, suffered the most excruciating agonies, often death ended their misery in a German prison.

Now, our Government, to show its appreciation, will lend these boys one-half the money they need for only a tenth of the time and double the interest that it is asking two foreign countries. They argue that England fought for us. True, but let us never forget that were it not for our heroic fighting boys there would be no England today to borrow and no United States to lend.

Our debt to them is boundless. So, let all who believe our boys should have as fair a financial opportunity as foreigners write your Senator and Congressman to that effect.

W. S. DORMAN.

MIDDLEPORT, N. Y., January 5, 1946.

Mr. BILBO. President Truman and Secretary of State Byrnes have urged us to approve this loan to Great Britain, but they have indeed presented a weak case. Sound reasons for the granting of this loan are totally lacking. Other foreign countries are already standing in line awaiting their turn to apply for funds, and if we turn on the green light for foreign loans, there will be an endless stream of our dollars floating across the sea never to return. We did this following the other World War, but we are not going to do it this time.

President Truman, Mr. Byrnes, and the other leading officials who are advocating this British loan do not hesitate to say that we have the \$3,750,000,000 and can afford to send it across the sea to Britain with no security and with no real assurance that it will ever be repaid. Then, I contend that we can afford to pay bonuses to our war veterans. Here is the money that we need, and we can use it for this worth-while purpose. If we defeat the British loan, we will have a fund of \$3,750,000,000 with which to begin immediately to pay these bonuses. Those who unhesitatingly claim that we have the money to lend to Britain surely will not dare to say that we do not have it to pay our veterans.

As I have already stated, I propose that we pay a bonus of \$3 for each day served in the United States and \$4 for each day served overseas, fixing the maximum that any veteran could receive at \$3,500 or \$4,500. Those who served the entire period of service in this country could receive not more than \$3,500, while those who served overseas could receive not more than \$4,500. There should also

be one further provision. It would only be fair and just that if a veteran wishes to receive the bonus, he will then pay his own expenses during the period of schooling or training out of his bonus. He may choose to take the bonus outright, or may prefer to have the Government send him to school or train him, but he should not receive both in full. It would be discrimination against the great majority of the veterans if we should favor one special group with the educational advantages, plus the same bonus which the others who did not go to school received. The veteran who goes to school will, of course, receive his bonus, but there will be deducted the total amount which he has received while taking his educational course. In this way each and every veteran will be treated fairly and equitably.

There can be no doubt as to the answer to the question: To whom do we owe the greatest debt—Britain or our veterans? An editorial with this question as the title appeared in the Altoona (Pa.) Tribune on February 6, 1946. A part of the editorial follows:

In this column we frequently have criticized the proposed British loan.

We think, and there are many in this country who agree, that the Government's reasons for lending the money to Britain are based entirely upon fallacies, and are being put forward by the Government because Mr. Byrnes and Mr. Truman have nothing to go forward on but Mr. Roosevelt's program of powerful internationalism, and Mr. Roosevelt's program was planned by the late President as an improvement upon the one drafted by Woodrow Wilson.

We have been facing the immediate problem of houses for war veterans.

We are trying to meet that problem by offering them Quonset huts, emergency housing units, trailers, and other makeshifts providing somebody comes forward with the money.

And so, there is the catch. There has to be money before any community can provide for its veterans.

And so, with this problem and the solution lying around, what do Mr. Truman and Mr. Byrnes do?

Why, they start a talking campaign to sell the American people the idea of giving a "reluctant" Britain nearly \$4,000,000,000.

They use reverse economics to explain it all, saying such a "loan" to Britain would grease the wheels of progress and international commerce—all very vague—spur business and industry here—still vague—and improve the commercial relations between the two countries (an overstatement).

Which all seems like a very indirect method of helping business.

It would seem much more direct, much more beneficial to America, and much more just, to set aside that \$4,000,000,000, and let each community in the country make application for a portion to build decent, adequate homes for their veterans.

Or, give that money to the veterans in bonuses. It won't be any more inflationary than the President's fact finders starting strikes all over the Nation by telling the public last fall that major industry could afford to boost wages.

In plainer words, it comes down to this: to whom does this country owe its greatest debt, to Britain or the American men who fought for both Britain and America?

In addition to the bonus for our veterans and the necessary changes which should be made in the GI bill of rights there is one other matter with reference to our ex-service men and women which

I wish to mention. This one other item—surplus Federal property—has surely caused much more confusion and misunderstanding than any other one thing which could be named. There have been countless changes made in the handling of this property, but it is only fair to point out that they have been made by the administration and not by the Congress. The agencies have been changed and reorganized and the property has been transferred from one agency to another, with the result that our veterans have found it very difficult to obtain accurate information as to their rights and opportunities to purchase some of this surplus property.

The War Assets Administration is now handling the disposition of surplus property, and veterans should file their applications through the local and regional offices of this agency. The situation has been somewhat clarified within recent weeks, and it is hoped that the officials of this agency will continue to cut as much of the red tape as possible and make more of this property available for purchase by our veterans.

The veterans are entitled to first priority on this Federal surplus property, and just a few days ago the Congress took the necessary steps to insure their rights. Of course, the Federal Government itself still retains first priority.

Mr. President, let us take this \$3,750,000,000 and instead of giving it away to Great Britain in the form of a gift-loan, let us use it to pay bonuses to our veterans. Then we will be using the money for a worthwhile and worthy cause. Our veterans deserve our first consideration; we cannot do too much for them. Of course, the Congress will provide whatever additional amount is necessary to give this bonus to all veterans. Let no one say we cannot do it, for if we pass this resolution we are entering upon a lending spree which will almost amount to enough to pay the bonus in question. To be sure, this bonus will be only a small token of appreciation to these service men and women, for the service which they have rendered to us and to our country is something which can never be measured in dollars and cents. Our armed forces saved our country from destruction and preserved our American way of life for us and for future generations. Let us never miss an opportunity to help and benefit these veterans who have done so much for us.

The people of the United States are in favor of our Government extending aid to our veterans. But the people are not in favor of giving away this \$3,750,000,000 to Great Britain or to any other foreign government. A survey which was made in the South shows that 70 percent of the southern people said that the loan definitely should not be made. I ask to have printed in the RECORD an article by Thurman Sensing, director of research, Southern States Industrial Council, Nashville, Tenn., entitled "The South Views the British Loan."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### THE SOUTH VIEWS THE BRITISH LOAN

The proposed loan by the United States of about \$4,000,000,000 to Great Britain



will soon be debated by Congress. It is a loan of such magnitude, even in these days of large sums, and it involves so many fundamental factors in business and government that it will undoubtedly be closely considered and discussed at length.

As a distinct region comprising one-third the Nation's land and containing one-third the Nation's people, the South naturally has a decided interest in this proposed loan. For that reason, we have considered it worth while to make a survey of opinion of southern business and industrial leaders with reference to the loan. A sufficient number of these responsible leaders in southern economy have been contacted to give a fair cross-section opinion of the region, and that opinion is presented in this article.

This opinion of these southern leaders may or may not represent the people of similar leaders throughout the land. Ordinarily we might say that it does, since industrialists and businessmen throughout the country usually think largely along the same line. However, there are certain factors not exactly economic with regard to this proposed loan that might cause this proposition to be considered on other than a purely economic basis, and we don't have to look any further than the current discussion of the FEPC to see that the South has certain opinions distinctly its own on some matters, which opinions are not always shared or at least are not always actively supported by those in other regions of the land.

Since the South has a considerable voice in the deliberations of the Congress, however, as we may again witness from the FEPC, and as this voice will undoubtedly represent the major opinion of the people of the South, it is well to present this cross section of opinion as the deliberations on the proposed British loan are about to begin.

Stating the conclusion of this survey first, it was found that the preponderant view of this cross-section opinion was against making the loan, with 70 percent stating it definitely should not be made, 4 percent voicing no opinion, 9 percent saying it should be made with certain reservations, and 17 percent making a positive declaration in favor of the loan.

As stated, this may or may not represent the opinion of the Nation as a whole on this matter. Whatever the national view, however, the South cannot be accused of isolationism or not being interested in world affairs, for history has recorded that the South has been less inclined to isolationism and has been more interested in participating in world affairs than the Nation generally.

Briefly expressed, the opposition of the 70 percent against the loan was based upon the following: That the money would be used to buy up already scarce goods in this country, thus adding to our serious problem of inflation; that it would be used to strengthen state socialism in Great Britain, a type of government in which we do not believe; that the financial condition of this country is now such that loans of this type are not justified; that the loan would simply serve as a precedent to many other countries for requesting similar loans. It was pointed out by many that we would simply be loaning money to customers to buy our goods, and that there was serious danger of losing both the money and the goods.

Sometimes sentiment is a more powerful moving force than cold-blooded logic, and it might be said that this is true of the 17 percent definitely favoring the loan. This group feels that Great Britain has been, and will continue to be, our best friend in world affairs, that she stood between us and world dictatorship when we were unprepared to wage war, and that now in her time of need we should come to her financial aid regardless of the ordinary aspects usually considered in such transactions.

As noted, a smaller percentage took the in-between stand. First, this group want to be better informed as to the absolute need of Great Britain for this loan and what will be done with the proceeds. Second, they rather favor the loan, moved to some extent by what they consider a moral obligation, but only under condition that the loan be amply secured, as should be the case in any commercial transaction. Realizing by our experience from the loans of the First World War the insecurity of national loans, this group is not exactly certain how this ample security can be accomplished, and they are inclined to favor taking in payment or part settlement certain insular possessions of Great Britain, on many of which we have spent great sums of money fortifying them during the recent war.

For what it may be worth, however, the fact that unquestionably stands out from this survey is that the large majority opinion of the businessmen and industrialists of the South is that the United States has been too easy a mark and too gullible for too long and that it is high time we stopped playing Santa Claus to the whole world.

**Mr. BILBO.** Mr. President, when I was speaking against the Fair Employment Practice Committee last January, I made a brief statement to the effect that I was opposed to the British loan. Following this statement I received hundreds of letters from all over the United States and I am being very conservative when I say that 95 percent of these letters stated that the writer was definitely opposed to the loan to Britain. The American people as a whole do not want to see this country give its money away to Britain or to any other nation.

Mr. President, I cannot see how Great Britain can even request a commercial loan much less a gift or grant-in-aid from the United States. Britain is not in good financial standing with the American Treasury for she still owes us more than \$6,000,000,000 on World War I debts. How can the present government of the United Kingdom come with good grace and seek another loan from us without at least offering to pay what they already owe us? Yet, I have heard nothing about paying the old debt. We have received no offer to pay this debt which is still outstanding, but as one Member of the United States Senate I am putting our English friends on notice that the only way that I would ever even consider a loan to Britain would be for that Government to first make definite arrangements to pay what she owes us on the debts of World War I.

There is another suggestion which I should like to make to the officials and others who are pleading so loudly for the approval of this loan by the Congress. If they believe that the American people are in favor of this proposal, why not have English bonds sold in the United States? That is one way for Britain to obtain the cash which she says she needs so badly. If the American people are so anxious to furnish their dollars to Britain they will buy the bonds. I wonder how many of them could be sold on the floor of the Senate.

This proposal would test the faith of the advocates of the gift-loan to Britain. We could then determine how anxious they are to send their money to Britain, looking only to that Government for payment. The bonds would be redeem-

able by the British Government, and the United States would not underwrite them. So the purchaser would be trusting our British cousins across the sea to repay.

Would the advocates of the British loan be willing to risk their own money on this proposition? If we provide the ways and means, then the pro-Britishers in this country who seem to be overflowing with love for their British cousins will be given an opportunity to make good on their contention that the British Government will honor its obligations and pay its debts. I do not hesitate to say that those people who are so emphatically proclaiming that the Government of the United States should make this loan will suddenly grow cold on the proposition of aiding the British when it is their own money which is going to be used. They may be willing to risk repayment of Uncle Sam's money, but they will probably hesitate a long time before risking their own money.

Mr. President, as I have previously stated, the loan bears no semblance whatsoever to a business proposition. We are lending the British this \$3,750,000,000 to be repaid—if at all—over a period of 55 years—that is a lifetime—and at a rate of interest—if paid at all—of 1.62 percent, and we are going to lose 30 cents on every \$100 we loan, because we are going to have to pay 2½ percent to get the money.

This entire deal involving some \$4,000,000,000 reminds me of my very first experience in dealing in finance.

It seems, Mr. President, that I must be something of a financier, because one of my opponents in Mississippi charged, the other day—and Walter Winchell repeated it over a Nation-wide radio hook-up—that for 30 years I had paid only \$72 in income taxes. If what they said were true, I could make a fortune by leaving the Senate and going into the income reporting business, because everyone would want my services. However, their statements are far from the truth. A bigger lie than what they said has never been told in Mississippi. Indeed, Mr. President, Oco Thompson, the Disbursing Officer of the Senate, has taken out of my salary, since 1943, under our own law, nearly \$6,000, and it will be \$6,000 by July. For a man of intelligence to make a charge of that kind and for a man who has responsibility for a Nation-wide radio hook-up, as Walter Winchell does, to repeat that kind of a lie, is absurd.

But, Mr. President, I was about to tell about my experience in finance. When I was a small boy working on my father's farm, I managed to accumulate what was to me at that time the enormous sum of \$20. One of my older brothers knew that I had the money and decided to borrow \$20 from me. I told him I would agree if he would give me a note. To my mind, being then but a young boy, I thought a note was something wonderful. So, never having had any experience in financial dealing, I told him he could write the note. He promptly took my \$20 and handed me a note which I afterward found read as follows:

I hereby promise to pay THEODORE G. BILBO the sum of \$20 when convenient.

Every time I called on him for my \$20 he said "Read your note." [Laughter.]

Mr. President, that is exactly what the British are promising us; they will repay the loan of \$3,750,000,000 when and if convenient. You know and I know that the day of convenience for the British will never come. We have been waiting since the First World War for the day when it will be convenient for them to repay the \$6,000,000,000 they borrowed, but it has never come.

Shall we grant this gift-loan to Britain? No, no, a thousand times no. But we will find a worth while and patriotic use for this money. We will spend it for bonuses for our American war veterans of World War II—not for unfilled promises, but for services and sacrifices already rendered by our 12,000,000 American soldiers. This is an opportunity for the Congress to put the interest of our veterans first. I have no doubt that when the Members of the Senate have considered the two propositions, they will agree with me that the money should be spent on our veterans first. Then if anything is left we can throw it away on the British. We will give this money to the men and women who fought for us and for our country—and too bad about the English!

Mr. President, I ask unanimous consent to have printed in the RECORD several editorials and articles on the subject which I have been discussing.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From the Bulletin of North Shore Post, No. 21, the American Legion]

#### THE BRITISH LOAN

"We were not responsible for this war, but we had to fight it, and in fighting it we saved the British Empire the second time. For me and, I believe, for the American people, the blood already shed by our heroes, and the hundreds of billions we have poured out to win this war, should constitute the limit of our sacrifice for Britain.

"Permit me, Mr. Speaker, to digress a moment from the British loan and call the attention of my colleagues to the fact that out of 75,000 veterans in California asking for loans only 194 got credit, the others got advice. Just think of the contrast, Mr. Speaker, 194 American soldiers who faced death or mutilation in a war they did not seek out of 75,000 get some paltry loans, while here we have laid in our laps by the Administration a proposal to strike \$25,000,000,000 of debts off the record and loan an additional \$4,400,000,000 to the British Nation. That, I venture to say, Mr. Speaker, when the American people understand this simple fact, no explanations will suffice as an alibi for the proponents of this loan."—(Hon. ROY O. WOODRUFF, of Michigan, in the House of Representatives, February 15, 1946.)

#### SELLING OUT ON VETERANS

European buzzards are flocking to the United States of America demanding billions of dollars of American taxpayers' gold. These leeches don't give a damn whether they wreck the economy of our country; they are not satisfied to have received huge gifts of gold from our dwindling resources at Fort Knox, Ky.; they are not satisfied to have received thousands of United States fighting planes, thousands of United States trucks, tanks, millions of tires, 50 United States battleships, and millions of tons of fuel, food, and clothing; they want more, and, what's

more, they are demanding more. Any politician who votes for these loans is robbing United States war veterans.

F. W. Willcox, of Roby, England, recently said, "Perhaps you will be interested to learn the average Britisher is against accepting any such loan from the 'American Shylock.' He would much prefer to endure another 10 years of austerity than place ourselves under any obligation to the despised American Nation." He went on to disparage our contributions toward saving the British Empire from disaster as they did after 1918. He said we Americans are jealous of English culture and historical background. Americans say: "To hell with all the dukes and earls in England; to hell with the Communists also."

Now then, fellow Americans—fellow American war veterans—are we going to permit a group of Anglophiles, Communists, and cheap Washington politicians to give another huge slice of America's dwindling supply of gold to the European buzzards and bankrupt the Republic of the United States of America? This gold is property of American taxpayers. "Refugee stock traders who fled from Europe have reaped profits close to \$800,000,000 in the New York Stock Exchange without having to pay a dollar of their profits into the war-strained United States Treasury as income tax"—Chicago Tribune, May 6, 1945. This is a drop in the bucket; English fire and marine insurance companies take in a billion dollars a year in insurance premiums in the United States.

Henry Wallace—you know who he is—said, "It would be worth while if we gave the money away." He was addressing the Senate Banking and Currency Committee which was considering the \$3,750,000,000 loan to the British. "The loan should be an outright gift." Kennedy, ex-Ambassador from United States to the cultured court of St. James. "Loan to Britain is a 'must.'"—Chicago Sun, March 12, 1946.

Magenta Socialist Leon Blum is here from France, he wants two billion two hundred and fifty millions.

Have you heard any one of those Anglophiles, Communists, and cheap Washington politicians who are so anxious to give away our gold, have you heard any one of them making any suggestions regarding gifts to World War II veterans? To save their skin they may after they have read this. Remember the great howl that went up when we veterans of 1918 asked for a few dollars? You heard the cry, "You are bankrupting the United States Treasury, you are selling patriotism." Any politician who votes for these foreign loans is selling out on American war vets, and if they pass the bill, we are going to demand a bonus for World War II vets right now. From a recent article, "Others contend the American Legion lobbied for the bonus." Certainly we lobbied, and we intend to keep our promises to our fellow vets of World War II. The Anglophiles, Communists, and friends of democracy can holler their heads off that this is a cheap appeal to bring members into the American Legion. Again we say, "To hell with the dukes, earls, and Communists." Long live the Republic of the United States of America.

#### MCLEAN FARMERS OPPOSE BRITISH GIFT-LOAN, 5 TO 1

(By Clayton Kirkpatrick)

BLOOMINGTON, ILL., March 16.—McLean County farmers feel the same way about the proposed gift-loan of \$3,750,000,000 to Great Britain as their city cousins. They are opposed to it by a majority of 5 to 1.

A poll taken today at a farm sale in Danvers, an agricultural hamlet 13 miles west of here, shows that of 30 farmers questioned 20 are against the loan, 4 are for it, and 6 are undecided.

The same question, asked of Chicagoans last month, revealed the metropolitan population was against the measure by a majority of 3 to 1 in spite of efforts of the Truman administration to force the measure through Congress. Earlier this week residents of Sterling, Ill., a city of 11,440, voted 7 to 1 against granting the credit to England.

#### DOUBT IF BRITISH WOULD PAY

Opposition of the farmers to the gift loan found its source in various historical and economic factors. Most of them believed the payments would be defaulted by the British as was done in 1933 on the World War I loan when only 4 percent of the four-and-one-half-billion-dollar debt was paid. Others held that the rate of interest, 1.62 percent, was too low when ex-servicemen are forced to pay 4 percent for loans under the GI bill of rights.

The farmers also were interviewed to obtain their opinions on the question of joint use of military bases by the United States and Great Britain against Russia as suggested March 5 by Winston Churchill in a speech in Fulton, Mo. (Churchill on Friday denied this was a request for a military alliance, calling it a fraternal association.) Although one-third said they had not decided what they favored, 4 to 1 among those who had opinions maintained an alliance would be unwise at this time and would lead to international complications and probably to war.

Many among those who said they were undecided said Russia's recent actions on the borders of Turkey and within Iran are a menace to world peace and that it may be necessary to seek help wherever it could be found.

#### DENOUNCE CHURCHILL

Those who disapproved an alliance accused Churchill of trying to inveigle this country into the old game of power politics in order to preserve the crumbling British empire. Unanimously they denounced Churchill for speaking as a private citizen on such a controversial and provocative subject in this country, thus causing our relations with Russia to be strained.

The following are samples of opinions expressed:

J. N. Bostic: "We've given Great Britain enough. It will be time to consider another loan when she pays the last one. Churchill was looking out for British interests when he made his speech, not ours or the world's. We've had too much interference from him—his own people rejected him—why should we pay any attention to him?"

Russell Yoder: "We shouldn't make this loan to Britain. We've plenty of uses for money right here at home. It seems to me Churchill is trying to get us into a war with Russia with his talk about alliances, and if he does not keep his mouth shut he will."

Roy McReynolds: "Why drain this country dry in order to build up the British Empire again? If we want peace we should treat Russia as an ally rather than as an enemy."

Lester Gillian: "I'm in favor of letting the British have the food they need and whatever surplus supplies we can spare, but we shouldn't shower them with dollars. As for Churchill's speech, I don't know why we allow foreigners to come over here and voice opinions that will get us into trouble."

Tracy Deal: "I believe in loaning money to people who would pay it back. If we give money to Britain and not to other countries, we get a doubtful friend and several certain enemies."

Harold Crump: "Charity begins at home, it seems to me, and a loan to the British would be charity. They didn't pay before and they won't this time. The alliance idea is a good one. It will take a lot of power to keep



peace, and we would be strengthened by an alliance."

G. J. Smith: "We should lend Britain enough to make sure everybody has enough to eat, but there's no excuse to lend them billions of dollars."

F. H. Schwartz: "I haven't made up my mind about the loan, but I am against entering an alliance. It would just provoke Russia. We should depend on the United Nations Organization to solve these problems."

#### LOAN TO BRITISH OPENING WEDGE, TEACHER WARNS—OTHERS WILL WANT THEIRS, DEAN PREDICTS

If the proposed \$3,700,000,000 loan to Great Britain is made, the United States will face loan demands from other nations, and be placed in the position of giving diplomatic affront if it refuses.

This warning was given by Dr. Clarence E. Manion, dean of the College of Law of the University of Notre Dame, in a recent address before the Northern Indiana Conference of Bank Auditors and Controllers in South Bend, Ind.

Dr. Manion said that the loan arrangement sounds like a chapter from Alice in Wonderland. He charged it is intended to establish a precedent for a \$6,000,000,000 cash advance to Russia, a \$600,000,000 cash advance to France, and "comparable amounts to every other country on the globe."

#### LISTS OTHER PROSPECTS

"If the British transaction is approved," the law-school dean asserted, "subsequent refusal to deal in like manner with Russia, France, and other countries will be construed as a diplomatic affront to those countries."

Dr. Manion said that in order to finance any subsequent exorbitant loans the Government will have to borrow from its citizens at high interest. The national debt will increase as a result, he said, and reduce the value of war bonds in the hands of the people. Deficit spending will continue and inflation will be accelerated, he warned.

"If the millions of Americans whose savings are now patriotically invested in war bonds know what is good for them they will kill this hypocritical British loan by an avalanche of protests to Congress," Dr. Manion said.

#### SEES THIRTY BILLION GIFT

The Notre Dame professor asserted that the proposed loan to Britain amounts to a gift of \$30,381,000,000. Under the loan terms, he said, \$2,331,000,000 still owed America by Great Britain from World War I is automatically canceled and forgiven. In addition, he said, twenty-five billion due under lend-lease is reduced to a minimum of fifty million and a maximum of seven hundred and fifty million. On top of this, he declared, three billion is to be given without repayment for 55 years.

"For this thirty billion three hundred million—three billion and twenty-seven billion in excused or forgiven indebtedness to us—we get in return," said Manion, "only the unsecured promise of a debtor who has defaulted to us repeatedly during the past 25 years and who now pleads bankruptcy."

#### TERMS PROTESTS PHONY

Dr. Manion called British protests against the loan mere sham. The reported opposition to it in London is strictly phony, he said. The British complaints, he declared, are deliberately meant to give Americans the false impression that for once in their lives they have outsmarted the British. "They actually are giving us the horse laugh," Manion said.

"If we are in a mood for outright charity," Dr. Manion said, "this is no time to bankrupt ourselves in order to socialize the British coal mines or to nationalize the Bank of England."

[From the New York Daily News of April 2, 1946]

#### THE BRITISH "LOAN"

Since Lord Northcliffe died Lord Beaverbrook has become the most powerful and influential newspaper publisher in Great Britain.

Lord Beaverbrook was born in Newcastle, New Brunswick, Canada, son of the Reverend William Aitken, Scotch minister at Newcastle. Beaverbrook's original name was William Maxwell Aitken.

He became a successful businessman in New Brunswick; then conquered Canada, so to speak; then went to England. There he built his newspapers—London Daily Express, Sunday Express, Evening Standard; was created First Baron Beaverbrook in 1917; and served in various cabinets. His most notable public services were rendered as Minister of Supply in 1941-42, in which capacity he got Britain's aircraft industry really rolling 'em out for war purposes.

The London Daily Express has the world's largest daily newspaper circulation—about 3,400,000 at last report—for an interesting reason. It is printed simultaneously in three cities—London, Manchester, and Glasgow. Thus, it pretty well blankets England, Scotland, and Wales.

This mechanical advantage, of being able to print in three large cities on a relatively small but thickly populated island, is the main reason why the London Daily Express has a larger circulation than the New York Daily News, which has the largest newspaper circulation in America.

We mention Lord Beaverbrook at such length because his press power gives importance to anything he says on public affairs.

What he is saying nowadays about the proposed United States loan to Great Britain is of particular importance to Americans.

Lord Beaverbrook's view, as set forth in the London Daily Express, is that His Majesty's Government should graciously accept the "loan," but that it should also maintain imperial preference.

The "loan" would come to about \$4,000,000,000, with interest at 2 percent. Britain wouldn't have to begin payments on either interest or principal till 1951, and it would have 50 years after that to pay in full. In years when British export trade fell below prewar levels, it could omit the interest.

#### IMPERIAL PREFERENCE

Imperial preference is a big, rather resounding name for a simple device. This simple device is the maintenance of tariff walls around the British Empire, to make it hard for United States or other nonempire business people to sell their goods inside the Empire while making it easy for Empire business people to sell their goods inside the Empire.

It is a trade monopoly scheme, whereby a market consisting of about one-fourth of the earth's land area and about one-fourth of its total population is pretty thoroughly fenced off for the benefit of business people inside that market.

Lord Beaverbrook has a perfect right to think and talk about imperial preference, and to be for it, as a veteran British Empire "frster."

Americans, however, have an equal right to think about what imperial preference would mean to them; and whether they would be smart or idiotic to extend Britain a "loan" of \$4,000,000,000 with the expectation that imperial preference would be maintained thereafter.

Britain, with a Socialist government, could use this money, among other things, to speed up nationalization of its industries. Thus, a capitalist nation would be helping to finance socialism in another nation—rather ridiculous.

Then, too, if we should loan Britain this money, there would be no excuse for our refusing to make similar loans to other nations. France first intimated that it would like a loan of two and one-half billions; now it hints that it might be willing to settle for five billions. Stalin some time ago told United States Congressmen visiting Moscow that Russia would settle for a loan of six billions—some, at least, of which would go to push the cause of communism in the rest of the world, including the United States.

All this money, it should be emphasized, would come, not out of the air or a magician's hat or a bookkeeper's bottle of red ink, but out of the pockets of United States taxpayers. These days, we are all taxpayers, directly or indirectly.

As we've said before, we think this whole matter is one for the American Legion to consider thoughtfully. The Legion, we believe, should consider the question whether it wouldn't prefer to have these billions go to our own World War II veterans in the form of bonuses, rather than to British, French, and Russian veterans. Having carefully considered this question, the Legion should act accordingly.

[From the Jackson (Miss.) Daily News]

#### THAT BRITISH LOAN

The Senate will be engaged during the coming week with a debate of Great Britain's request for a \$3,750,000,000 loan.

Great Britain's public debt today is \$22,398,000,000, compared with \$8,026,127,000 in 1928, an increase of 179 percent, due mostly to World War II.

Compare that, if you please, with our national debt of about \$278,000,000,000.

Instead of requesting a 50-year loan from the United States of America, without security and at a trivial interest rate, why doesn't Great Britain offer to sell her bonds to our citizens direct? This can easily be accomplished by newspaper advertisements—but not for 50-year bonds. Make several issues—one for 10 or 15 years at 2½ percent interest—one for 20 years at 3 percent and one for 30 years at 3½ percent. Place these advertisements in the principal newspapers in the United States, Canada, Australia, Union of South Africa, and Malaya—these countries have tremendous natural resources and all necessary items to feed and clothe all human beings.

Also, keep it in the forefront of your mind that Great Britain still owes us a debt of about \$12,000,000,000, with interest, accumulated since World War I.

Buying wars from our British cousins, and paying the entire bill, is a drain on our resources that is quite too heavy.

#### WOODLAWN AMERICAN LEGION POST OPPOSES LOAN TO BRITAIN

WOODLAWN POST No. 175,

THE AMERICAN LEGION,

Chicago, Ill., January 15, 1946.

MR. WILLIAM RANDOLPH HEARST,

San Simeon, Calif.

DEAR MR. HEARST: The following resolution was presented and adopted at a recent meeting of our post and represents the opinion of our membership.

The Americanism committee of our post was authorized to send a copy to the Illinois Senators—LUCAS and BROOKS.

F. WILBER WATSON,  
Commander.

Whereas the public debt of the United States is nearing the astronomical height of \$300,000,000,000 and seems likely to go even higher; and

Whereas if this debt is not curtailed and brought under control, or drastically reduced, a serious danger of ruinous inflation will obtain to the detriment of the public welfare throughout the country; and

Whereas returning GIs are required to pay 4 to 5 percent interest on loans from the United States Government: Therefore be it

*Resolved*, That Woodlawn Post No. 175, County of Cook, State of Illinois, American Legion, is unalterably opposed to the granting of a loan to Great Britain, under its proposed conditions, for the following reasons:

1. That the interest rate (1.6 percent) is entirely too low in comparison with other governmental obligations, and, further, that returning veterans desiring a loan would have to pay more than twice that rate of interest to secure a small loan for rehabilitation purposes.

2. That the agreement is so cunningly devised in that it compels us to establish a definite fixed policy of tariff that our failure to do so would afford Great Britain a valid reason to default on the agreement at a later date. This provision should be remedied.

3. That Great Britain has not divulged nor will she divulge her hidden assets to determine whether she actually needs this loan for the purposes stated by her or whether it will be diverted by her into channels for the purpose of propagandizing a socialistic government in contradistinction to our own form of government.

4. That the terms of the credit granted Great Britain is wholly disadvantageous to the best interests of the United States Government. This should definitely be repealed by the Senate.

We submit this for your consideration.

MRS. HENRY H. HAY—VETO MESSAGE  
(S. DOC. NO. 174)

The PRESIDING OFFICER (Mr. MURDOCK in the chair) laid before the Senate the following message from the President of the United States, which was read, and with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

*To the Senate:*

I return herewith, without my approval, S. 1190, Seventy-ninth Congress, entitled "An act for the relief of Mrs. Henry H. Hay."

The enactment would authorize and direct the Secretary of the Treasury to pay to Mrs. Henry H. Hay, of Savannah, Ga., the sum of \$1,082.46, in full satisfaction of her claim against the United States for compensation for accrued annual leave, earned by her husband, the late Henry H. Hay, as a merchant marine inspector in the United States Coast Guard, the amount representing compensation for 88 days and 15 minutes of unused annual leave standing to his credit at the time of his death on December 4, 1944.

At the time of the employee's death there was no law or regulation authorizing the payment of compensation equivalent to, or in lieu of, the leave not taken by a former employee prior to his death. At that time the applicable law and regulations granted a right to an employee only to be absent from duty for the prescribed period without loss of compensation while retaining his status as a civilian officer or employee of the United States. The benefit was personal to the employee and ceased upon his death. While the act of December 21, 1944 (58 Stat. 845), now authorizes a lump-sum payment for all unused accrued annual leave of an employee upon his death to his designated beneficiary or to his estate,

the provisions thereof are not retroactively effective. Many claims similar to the present one have been disallowed by the Government. Hence, the approval of relief legislation on behalf of the widow of the former employee named in this enactment would give her preferential treatment and, no doubt, would result in numerous relief bills with respect to other former employees similarly situated. For the reason stated herein I do not feel justified in giving this enactment my approval.

HARRY S. TRUMAN.

APRIL 26, 1946.

#### LEAVE OF ABSENCE

Mr. BILBO. Mr. President, while I have the floor, I wish to ask leave of the Senate until the 2d day of July. I shall leave Washington at 4 o'clock tomorrow morning. I believe that the people of my State will be willing for me to devote at least 60 days to my own political defense, after having served them faithfully for 6 years here, 18 hours a day, except when I was sick in the hospital. I could never feel satisfied to stay here when there are four peckers down in Mississippi trying to take my job away from me. So I hope to obtain the permission of the Senate to leave until the 2d of July, to attend to my business.

The PRESIDING OFFICER. Without objection, consent of the Senate is granted.

#### PROPOSED LOAN TO GREAT BRITAIN

The Senate resumed consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

Mr. BARKLEY. Mr. President, we have been debating this measure for several days. We lost 2 days this week on account of the unfortunate death of the late Chief Justice of the United States, Mr. Stone. I had thought that we might bring up part of that tomorrow; but I find that the Members of the Senate are not as yet enthusiastic about Saturday sessions, and I shall not ask for one. I had intended to ask unanimous consent that beginning on Monday debate be limited to 1 hour on the joint resolution and 1 hour on any amendments thereto, which would make a total of 2 hours for any one Senator. But after consultation, I find that I cannot obtain such an agreement.

I merely ask Senators beginning on Monday to concentrate their thoughts and their speeches on the pending joint resolution, so that we may obtain a vote on it early in the week. There are some amendments which are to be offered. I do not know how much discussion they will involve. But it is desirable, not only on account of the merits of the pending measure, but on account of other legislation which is entitled to consideration and is waiting to receive it, that the Senate dispose as soon as possible of the pending joint resolution approving the

agreement entered into between this country and the United Kingdom.

Therefore, in the absence of any agreement for limitation of debate, which I am not willing to propose now, let me say that I hope Senators will be here Monday prepared to hasten consideration of this proposed legislation as much as is possible, consistent with its importance.

#### SECOND DEFICIENCY APPROPRIATIONS

Mr. McKELLAR. Mr. President, I move that the unfinished business be laid aside temporarily, and that the Senate proceed to the consideration of House bill 5890, the deficiency appropriations bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5890) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will proceed to state the amendments reported by the committee.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General appropriations—Legislative," on page 2, after line 2, to insert:

#### SENATE

For payment to Orja L. Sutliff for services rendered in the office of Senator CHARLES O. ANDREWS while on terminal military leave from September 10 to October 31, 1945, in accordance with the provisions of Public Law No. 226, Seventy-ninth Congress, approved November 21, 1945, \$840.34, to be paid from the appropriation for salaries of officers and employees of the Senate for the fiscal year 1946.

The amendment was agreed to.

The next amendment was, on page 2, after line 10, to insert:

Joint Committee on Internal Revenue Taxation: For payment of one-half of an additional amount for salaries and other expenses of the Joint Committee on Internal Revenue Taxation as authorized by law, fiscal year 1946, \$3,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 14, to insert:

Senate restaurants: For payment to the Architect of the Capitol in accordance with the act approved September 9, 1942, fiscal year 1946, \$6,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 17, to insert:

For an additional amount for miscellaneous items, exclusive of labor, fiscal year 1946, \$260,000.

The amendment was agreed to.



The next amendment was, under the subhead "House of Representatives," on page 2, after line 20, to insert:

To pay the widow of William Olin Burgin, late a Representative from the State of North Carolina, \$10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the House," on page 3, line 3, after the numerals "1946" to strike out "\$5,000" and insert "\$15,000."

The amendment was agreed to.

The next amendment was, on page 3, after line 17, to insert:

#### COMMITTEE ON FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, \$20,000, one-half to be disbursed by the Secretary of the Senate and the other half by the Clerk of the House on vouchers approved by the chairman of the committee.

Mr. McKELLAR. Mr. President, I desire to offer an amendment to that committee amendment, and I wish to call the attention of the Senator from New Hampshire to it. In the committee amendment on page 3, in line 23, after the figures "\$20,000," I desire to strike out the word "one-half"; and beginning in line 24, after the word "Senate," to strike out the words "and the other half by the Clerk of the House on vouchers approved by the chairman of the committee."

Mr. Oco Thompson tells us that in order to have the matter handled by him, it will be necessary to make that change. I hope there will be no objection.

Mr. BRIDGES. That is satisfactory.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McKELLAR. Mr. President, I have an amendment which grows out of action on the part of the Rules Committee yesterday. The amendment, which is to come in on page 4, after line 3, reads as follows:

Senate Office Building: For an additional amount, fiscal year 1946, for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1946, \$22,000, to remain available until June 30, 1947.

Mr. President, the purpose of the amendment is to furnish more office space for Senators who have less than four rooms. I cannot say how it will be done, but it will give office space to a number of Senators who need additional rooms.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, under the subhead "Architect of the Capitol—Capitol Buildings and Grounds," on page 4, after line 11, to insert:

Erection of a statue of George Washington on the Capitol Grounds: To enable the Architect of the Capitol to acquire a statue of George Washington and a suitable granite pedestal upon which to erect such statue and to defray all expenses of erecting such statue upon the Capitol Grounds, all as authorized by the act of June 11, 1940 (54 Stat. 299), \$25,000.

The amendment was agreed to.

The next amendment was, on page 4, after line 22, to insert:

#### COMMITTEE ON FAIR EMPLOYMENT PRACTICE

For an additional amount for the Committee on Fair Employment Practice to meet increased pay costs authorized by the act of June 30, 1945 (Public Law 106), and to provide for lump-sum terminal leave as authorized by the act of December 21, 1944 (Public Law 525, 78th Cong.), fiscal year 1946, \$27,600, to be expended prior to June 1, 1946.

The amendment was agreed to.

The next amendment was, on page 5, after line 5, to insert:

#### PETROLEUM ADMINISTRATION FOR WAR

Salaries and expenses: The limitation in the appropriation "Salaries and expenses, Petroleum Administration for War," in the National War Agencies Appropriation Act, 1946, on the amount which may be expended for printing and binding is hereby increased from "\$20,000" to "\$30,000."

The amendment was agreed to.

The next amendment was, on page 5, after line 12, to insert:

#### WAR SHIPPING ADMINISTRATION

War Shipping Administration, revolving fund: The amount that may be used for administrative expenses for the fiscal year 1946 under the head "War Shipping Administration, revolving fund" is hereby increased by \$3,325,000.

The amendment was agreed to.

The next amendment was, under the heading "Independent Executive Agencies—Public Health Service," on page 6, line 16, after the numerals "1946," to strike out "\$748,000" and insert "\$1,348,000."

The amendment was agreed to.

The next amendment was, under the subhead "Federal Works Agency—Public Buildings Administration," on page 7, line 17, before the word "to" to strike out "\$200,000" and insert "\$495,020."

The amendment was agreed to.

The next amendment was, on page 8, after line 12, to insert:

Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area: For an additional amount, fiscal year 1946, for "Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, \$1,780,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 19, to insert:

Salaries and expenses, public buildings and grounds outside the District of Columbia:

For an additional amount, fiscal year 1946, for "Salaries and expenses, public buildings and grounds outside the District of Columbia," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, \$950,000.

The amendment was agreed to.

The next amendment was, in the subhead, on page 9, line 1, after the word "Roads", to strike out "Administrator" and insert "Administration"; in line 10, after the word "in", to insert "Senate Document No. 163, and"; and in line 11, after the word "Congress", to strike out "\$681,193.83" and insert "\$780,379.53."

The amendment was agreed to.

The next amendment was, on page 9, after line 12, to insert:

#### NATIONAL HOUSING AGENCY

##### FEDERAL HOUSING ADMINISTRATION

Salaries and expenses: In addition to the funds made available to the Federal Housing Administration by the Independent Offices Appropriation Act, 1946, and the First Deficiency Appropriation Act, 1946, for "Salaries and expenses," there is hereby made available to said Administration not to exceed \$400,000 from the sources specified under said head.

The amendment was agreed to.

The next amendment was, on page 10, after line 19, to insert:

#### SMITHSONIAN INSTITUTION

Salaries and expenses: For an additional amount, fiscal year 1946, for "Salaries and expenses, Smithsonian Institution," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, \$18,000.

The amendment was agreed to.

The next amendment was, on page 10 after line 24, to insert:

Salaries and expenses, National Gallery of Art: For an additional amount, fiscal year 1946, for "Salaries and expenses, National Gallery of Art," including the objects specified under this head in the Independent Offices Appropriation Act, 1946, \$16,000.

The amendment was agreed to.

The next amendment was, on page 11, after line 10, to insert:

#### UNITED STATES MARITIME COMMISSION

The amount that may be used for administrative expenses in the fiscal year 1946 under the head "United States Maritime Commission" is hereby increased by \$1,330,000, and the limitation on the amount which may be expended for attendance at meetings is hereby increased by \$1,000.

Mr. BRIDGES. Mr. President, if I correctly understood the clerk when he read the amendment, it provides for one increase of \$1,000, but the major appropriation is increased by \$1,330,000.

Mr. McKELLAR. The Senator is correct. The \$1,000 item is a limitation on the amount which may be expended for attendance at meetings.

Mr. BRIDGES. I personally was not present when the item was discussed in the committee. What is the reason for such a substantial increase being requested on the part of the Maritime Commission?

Mr. McKELLAR. The increase is necessary in order to provide lump-sum payments for employees who are on terminal leave after having been separated from the service. The Maritime

Commission has absorbed approximately \$400,000 required for this purpose, in addition to the cost of Public Law 106, Seventy-ninth Congress, but will be unable to meet the entire costs of terminal leave without the existing limitation. The Maritime Commission must have the money. Congress has already authorized it. The committee was unanimous, as I recall, in reporting the amendment.

Mr. BRIDGES. What is the total appropriation for the Maritime Commission up to the end of the present fiscal year?

Mr. McKELLAR. It is quite a large sum. I do not have the information before me.

Mr. BRIDGES. In my opinion, the Maritime Commission is one of the agencies which should be liquidating many of its activities.

Mr. McKELLAR. The amount which has been appropriated for the fiscal year is \$25,600,000. The additional appropriation of \$1,330,000 will make the total appropriation for the year \$26,930,000.

Mr. BRIDGES. Did the representatives of the Maritime Commission testify that an additional amount beyond the \$25,600,000 already appropriated was needed?

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, after line 10.

The amendment was agreed to.

The next amendment was, on page 12, after line 10, to insert:

DISTRICT OF COLUMBIA  
HEALTH DEPARTMENT

Operating expenses, Gallinger Municipal Hospital: For an additional amount for the fiscal year 1946 for all expenses necessary for Gallinger Municipal Hospital and the Tuberculosis Hospital at Fourteenth and Upshur Streets NW., including the objects specified under this head in the District of Columbia Appropriation Act, 1946, \$7,000.

The amendment was agreed to.

The next amendment was, on page 12, after line 18, to insert:

PUBLIC WORKS

Capital outlay, Sewer Division: For an additional amount, fiscal year 1946, for "Capital outlay, Sewer Division," including the objects specified under this head in the District of Columbia Appropriation Act, 1946, \$300,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, at the top of page 13, to insert:

Operating expenses, Water Division (payable from water fund): For an additional amount, fiscal year 1946, for "Operating expenses, Water Division (payable from water fund)," including the objects specified under this head in the District of Columbia Appropriation Act, 1946, \$75,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, on page 13, after line 6, to insert:

Capital outlay, Water Division (payable from water fund): For an additional amount, fiscal year 1946, for "Capital outlay, Water Division (payable from water fund)," including the objects specified under this head in the District of Columbia Appropriation Act, 1946, \$200,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, on page 13, after line 12, to insert:

DIVISION OF EXPENSES

The sums appropriated in this act for the District of Columbia, shall, unless otherwise specifically provided, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1946.

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture—Agricultural Research Administration—Bureau of Entomology and Plant Quarantine," on page 4, line 5, after the word "control", to strike out "\$20,000" and insert "\$350,000."

The amendment was agreed to.

The next amendment was, under the subhead "Forest Service," on page 14, line 11, after the numerals "1946", to strike out "\$168,000" and insert "\$500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Water facilities, arid and semiarid areas," on page 14, line 25, after the numerals "1946", to strike out "\$200,000" and insert "\$500,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Administrator of Civil Aeronautics", on page 15, line 15, after the numerals "1946", to strike out "\$39,000" and insert "\$59,000."

The amendment was agreed to.

The next amendment was, on page 16, line 4, after the numerals "1946", to strike out "\$749,655" and insert "\$924,600."

The amendment was agreed to.

The next amendment was, under the subhead "Weather Bureau," on page 18, line 8, after the numerals "1946", to strike out "\$535,000" and insert "\$1,035,000"; and in line 11, after the word "to", to strike out "\$1,170,000" and insert: "\$1,175,000: Provided, That in the conduct of meteorological investigations by the Weather Bureau in the Arctic region, the War Department is authorized in the fiscal year 1946, subject to the approval of the Director of the Bureau of the Budget, to transfer without charge to the Weather Bureau materials, equipment, and supplies, surplus to the needs of the War Department and necessary for the establishment, maintenance, and operation of Arctic weather stations."

Mr. LANGER. Mr. President, it has been my understanding that the Government has been reducing personnel. The Joint Committee on Reduction of Non-essential Federal Expenditures, of which the Senator from Virginia [Mr. BYRD] is the chairman, issued a statement a few days ago to the effect that the Government is reducing personnel. Yet, I note that we are being asked to approve an appropriation for increased personnel by approximately double the original amount. Can the Senator from Tennessee explain why? I refer to the amendment on page 18, in line 8.

Mr. McKELLAR. The proviso is for the purpose of carrying out an act passed by Congress to establish in Arctic regions weather bureau stations, and the materials, equipment, and supplies.

Mr. LANGER. I was not talking about the proviso; I was speaking about the amendment on page 18, line 8, after the numerals "1946", to strike out "\$535,000" and insert "\$1,035,000."

Mr. McKELLAR. That increase is, of course, caused by Congress having passed a law providing for the establishment of certain weather bureau stations in the Arctic region. When Congress passes a law which requires an appropriation, Congress must later appropriate in order to put the law into effect.

Mr. BRIDGES. Mr. President, time after time officers of various agencies come before congressional committees for authorizations. Time after time I have heard statements in committees to the effect, "Well, this, you understand, is not an appropriation, but an authorization." But always those interested return later and say in effect, "Congress having passed the act, it must now make an appropriation."

Mr. McKELLAR. The Senator from New Hampshire is entirely correct. We sometimes very carelessly allow authorization bills to be passed. After they are passed officers of the Government will later come to the Appropriations Committee and say, "Congress has authorized, and you must make an appropriation." I wish to join the Senator from New Hampshire in saying that I believe the practice to be a very vicious one, and that we should be much more careful in the future in regard to these matters than we have been in the past.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 18, in lines 8 and 11.

The amendment was agreed to.

The next amendment was, under the subhead "Grazing Service," on page 19, after line 24, to insert:

Salaries and expenses: For an additional amount, fiscal year 1946, for "Salaries and expenses," including the objects specified under this head in the Interior Department Appropriation Act, 1946, \$14,000.

The amendment was agreed to.

The next amendment was, under the subhead "Irrigation and Drainage," on page 20, after line 16, to insert:

Maintenance, San Carlos irrigation project, Gila River Reservation, Arizona: For an additional amount, fiscal year 1946, for operation and maintenance of the San Carlos project for the irrigation of lands in the Gila River Indian Reservation, Arizona, \$29,000 (operation and maintenance collections) and \$23,200 (power revenues), from which total amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

The next amendment was, at the top of page 21, to insert:

Maintenance, irrigation systems, Flathead Reservation, Montana: For an additional amount, fiscal year 1946, for operation and maintenance of the irrigation and power systems on the Flathead Reservation, Montana, \$12,800 (operation and maintenance collections), from which total amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.



The next amendment was, on page 21, after line 8, to insert:

Improvement and maintenance, irrigation systems, Crow Reservation, Montana (receipt limitation): For an additional amount for improvement, maintenance, and operation of the irrigation systems on the Crow Reservation, Montana, fiscal year 1946, \$21,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

Mr. McKELLAR. I may say, Mr. President, that all these items will be paid out of income from the operations of the irrigation systems.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 22, after line 2, to insert:

Maintenance, Wapato irrigation and drainage systems, and so forth, Yakima Reservation, Washington: For an additional amount, fiscal year 1946, for operation and maintenance of the Wapato irrigation and drainage system, and auxiliary units thereof, Yakima Indian Reservation, Washington, \$16,000 (collections from the water users on the Wapato-Satus, Toppenish-Simcoe, and Ahtanum units), from which total amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The amendment was agreed to.

The next amendment was, on page 22, line 20, after the word "Reservation", to insert a comma and "and there is transferred to the Bureau of Indian Affairs, without exchange of funds, such buildings constructed by the War Relocation Authority on the Colorado River and Gila River Indian Reservations as the Secretary of the Interior may determine to be necessary to provide suitable housing for Indian veterans on the Colorado River, Pima, and Papago Indian Reservations, Ariz.: *Provided*, That any building materials transferred to the Bureau of Indian Affairs under this authority shall be sold to Indian veterans at such prices and terms as the Secretary of the Interior may determine to be reasonable, and the amounts received shall be paid into the Treasury as miscellaneous receipts."

The amendment was agreed to.

The next amendment was, under the subhead "General support and administration," on page 25, line 8, after the numerals "1946", to strike out "\$10,000" and insert "\$15,000."

The amendment was agreed to.

The next amendment was, at the top of page 26, to insert:

#### BUREAU OF RECLAMATION

Rio Grande project, New Mexico-Texas: The limitation under the subhead "Rio Grande project, New Mexico-Texas," Bureau of Reclamation, in the Interior Department Appropriation Act, 1946, upon the amount available from power revenues for the operation and maintenance of the power system is hereby increased from "\$80,700" to "\$130,700."

The amendment was agreed to.

The next amendment was, under the subhead "Fish and Wildlife Service," on page 26, after line 8, to insert:

#### SALARIES AND EXPENSES

Maintenance of mammal and bird reservations: For an additional amount for administration, protection, and maintenance of mammal and bird reservations, including the objects specified under this head in the Interior Department Appropriation Act, 1946, and for the improvement, construction, and repair of the outlet channel from Reelfoot Lake, Tenn., to the Mississippi River, and control facilities connected therewith, fiscal year 1946, \$20,000, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, on page 26, after line 24, to insert:

Halibut allocation program: For expenses necessary to enable the Fish and Wildlife Service to administer an allocation program for the Pacific halibut fishery pursuant to authority delegated to the Secretary of the Interior under Food Directive No. 2, issued by the Secretary of Agriculture on February 8, 1943 (8 F. R. 1777), as amended March 16, 1943 (8 F. R. 3280), including personal services in the District of Columbia; contract stenographic reporting services; the acceptance and utilization of voluntary and uncompensated services; maintenance, operation, repair, and hire of passenger automobiles; printing and binding; and the purchase in the District of Columbia and elsewhere of items otherwise properly chargeable to the appropriation "Contingent expenses, Department of the Interior"; fiscal year 1946, \$39,700, to remain available until December 31, 1946.

Mr. LANGER. Mr. President, referring to the language on page 27, dealing with an appropriation for stenographic reporting services, and so forth, I ask the distinguished acting chairman of the Appropriations Committee if there is not on the statute books a law which makes it illegal for a Government official to spend money until it has been first appropriated.

Mr. HAYDEN. Mr. President, perhaps I can reply to the Senator from North Dakota. It was assumed that this halibut allocation program would not be carried on this year, but, in view of the continuation of the Office of Price Administration, the Fish and Wildlife Service will be required to administer an allocation program for the halibut catch. In order to do that, they must be properly equipped. That is what the appropriation is for. If there were no OPA, the Fish and Wildlife Service would not have to perform this work.

Mr. LANGER. Allow me to return to my question. In my State the legislature makes a certain definite appropriation for performing certain work. If the person in charge spends a single dollar more than the appropriation, he goes to jail. There is no fooling about it. I understand that in the case of the United States Government there is a similar law.

Mr. McKELLAR. There is.

Mr. LANGER. Then, why should we have any deficiency appropriation at all?

Mr. HAYDEN. When the program was provided for it was assumed the activity would not be proceeded with this year, and the money was not included in the regular annual appropriation bill, but subsequently Congress did not do away

with the OPA, and the program in regard to the distribution of this type of fish has to be administered by the Fish and Wildlife Service. That being the case, we have to provide the money.

Mr. LANGER. Why should not the money be appropriated at the same time we give the authority?

Mr. HAYDEN. This is the first chance we have had to do it.

Mr. McKELLAR. The work was suspended. During the war there was very little of this work done.

Mr. HAYDEN. The deficiency begins on May 1. It was assumed last year that we would not have this program under way in May.

Mr. LANGER. The money has not yet been spent?

Mr. HAYDEN. No.

Mr. LANGER. It is going to be spent in the future?

Mr. HAYDEN. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 26, beginning in line 25.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 27, after line 15, to insert:

#### GOVERNMENT IN THE TERRITORIES

##### TERRITORY OF ALASKA

Insane of Alaska: For an additional amount for "Insane of Alaska," including the objects specified under this head in the Interior Department Appropriation Act, 1946, \$14,000.

The amendment was agreed to.

The next amendment was, under the subhead "Department of Justice—Legal activities and general administration," on page 28, line 23, after the numerals "1946", to strike out "\$125,000" and insert "\$250,000."

The amendment was agreed to.

The next amendment was, under the subhead "Field Service, Post Office Department," on page 31, after line 7, to insert:

#### OFFICE OF THE POSTMASTER GENERAL

Personal or property damage claims: For an additional amount, fiscal year 1946 and prior fiscal years, for "Personal or property damage claims," \$27,500.

The amendment was agreed to.

The next amendment was, on page 31, after line 21, to insert:

#### OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

Unpaid money orders more than 1 year old: For an additional amount, fiscal year 1946; for "Unpaid money orders more than 1 year old," \$487,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Fourth Assistant Postmaster General," on page 32, after line 16, to strike out:

(Payable out of the general fund of the Treasury)

For payment to Oscar R. Steinert, Chicago, Ill., in full settlement of all claims against the United States, as authorized by Private Law 241, Seventy-ninth Congress, approved November 9, 1945, \$4,000.

The amendment was agreed to.

The next amendment was, under the subhead "Department of State—Office of

the Secretary of State," on page 33, line 4, after the word "laws", to strike out "\$133,456" and insert "\$200,000."

The amendment was agreed to.

The next amendment was, under the subhead "Foreign Office," on page 33, line 23, after the numerals "1946", to strike out "\$100,000" and insert "\$198,000."

The amendment was agreed to.

The next amendment was, on page 34, line 5, after the numerals "1946", to strike out "\$400,000" and insert "\$433,000."

The amendment was agreed to.

The next amendment was, on page 34, line 10, after the numerals "1946", to strike out "\$35,300" and insert "\$163,000."

The amendment was agreed to.

The next amendment was, on page 34, line 15, after the numerals "1946", to strike out "\$567,070" and insert "\$1,067,070."

The amendment was agreed to.

The next amendment was, on page 34, after line 23, to insert:

Emergencies arising in the Diplomatic and Consular Service: The appropriation "Emergencies arising in the Diplomatic and Consular Service," contained in the Department of State Appropriation Act, 1946, is hereby made available for the deportation of enemy aliens.

The amendment was agreed to.

The next amendment was, under the subhead "International obligations," on page 36, line 3, after the word "thereof," to insert a colon and the following additional proviso: "Provided further, That until July 1, 1947, upon request of the United Nations and its agreement to pay the cost and expenses thereof either by advancement of funds or by reimbursement, any executive department, independent establishment, or agency of the United States Government may furnish or may procure and furnish supplies, equipment, and services, including personal services, to the United Nations and, when reimbursements are made by the United Nations, such reimbursements shall be credited to the appropriations, funds, or accounts utilized for this purpose current at the time obligations are incurred or such amounts are received from that organization."

Mr. LANGER. Mr. President, may we have an explanation of this amendment?

Mr. McKELLAR. It is for the purpose of enabling the United Nations to utilize certain Government agencies in getting their work started. If the Senator will read the language he will find it is almost self-explanatory.

Mr. LANGER. Suppose the United Nations asked for \$10,000,000 for the purchase, say, of a site for some buildings. Would that be covered?

Mr. McKELLAR. That could not be done under this provision.

Mr. LANGER. What could be done under it?

Mr. McKELLAR. Just as it provides, the United Nations could utilize the services of different agencies of the Government. Services are not real estate or improvements.

Mr. LANGER. For example, they could buy 50 automobiles. That would be equipment.

Mr. McKELLAR. I imagine they could, if they would pay for them.

Mr. LANGER. They could hire a hundred lawyers if they desired.

Mr. McKELLAR. If they paid for them. I doubt that they would go that far.

Mr. LANGER. I mean the amendment gives them authority?

Mr. McKELLAR. That much could be done.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 36, after line 15, to insert:

Rio Grande canalization project: For the replacement of the Anthony Bridge, over the Rio Grande within the Rio Grande canalization project, as authorized by and subject to the provisions of the act, approved April 22, 1940 (54 Stat. 151), fiscal year 1946, \$40,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 37, after line 11, to insert:

#### BUREAU OF NARCOTICS

Salaries and expenses: For an additional amount, fiscal year 1946, for "Salaries and expenses," including the objects specified under this head in the Treasury Department Appropriation Act, 1946, \$50,800.

Mr. LANGER. May we have an explanation of the amendment?

Mr. McKELLAR. The Bureau of Narcotics has had a number of very troublesome cases which they have had to prosecute. They made a request and got an estimate of \$50,800 for the prosecution of those cases.

Mr. LANGER. Does it mean the hiring of more men to go out and dig up evidence?

Mr. McKELLAR. Not to dig up evidence. It is to prosecute cases.

Mr. BRIDGES. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BRIDGES. I followed this very carefully in the committee, I may say in answer to the Senator from North Dakota, and I was amazed at some of the testimony which was adduced.

For example—and I think every Member of the Senate should listen to this particular statement—drug peddling and the use of narcotics in the District of Columbia, here in the capital of the United States, is worse than at any other place in the country. It is disgraceful. That was the testimony of Mr. Harry J. Anslinger, the Commissioner of Narcotics. I read from page 66 of the hearings. He said:

For instance, here in the District of Columbia we ran into about the worst situation that we have ever seen in the way of drug peddling. I brought in about 8 or 10 men from different sections of the country and had to put them on a per diem.

I think the appropriation is justified; I am sure it is needed; but the point I wish to make is that there is a disgrace-

ful condition here in the Nation's capital, where the peddling of drugs and narcotics is worse than at any other place in the entire Nation. Something should be done about it.

If the Senator from Tennessee will further permit me, I read further from the hearing. I asked this question:

I feel that it is difficult to keep narcotics under control. What reason is there for the terrific increase in the District of Columbia?

Mr. ANSLINGER. The average sentence here is 8 months and in Baltimore it is 38 months. They do not have peddling in Baltimore; even though the indeterminate-sentence law in the District of Columbia required that the violator must serve the minimum of 8 months, nevertheless, the average time served by those paroled throughout the United States was 13 months. I have taken the matter up with the chief justice and some of his associates and have tried to point out that with short sentences you are not going to deter the traffic. We had to spend \$15,000 here for purchases of evidence, travel, and other expenses. I have to keep as many men in the District of Columbia as in the New England district or as many men as we have in five Midwestern States.

I am glad the Senator from North Dakota raised the point, because while I believe the appropriation is justified, I think the reason for the appropriation, the widespread peddling of narcotics and drugs in our National Capital, is disgraceful and should be stopped.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, under the subhead "Secret Service Division", on page 37, line 22, after the numerals "1946", to strike out "\$50,000" and insert "\$110,000."

The amendment was agreed to.

The next amendment was, under the heading "War Department—Office of the Secretary," on page 39, line 1, after the word "in," to insert "Senate Document No. 164, and," and in line 2, after the word "Congress", to strike out "\$429,805.41" and insert "\$543,416.91."

The amendment was agreed to.

The next amendment was, on page 39, after line 3, to insert:

#### CIVIL FUNCTIONS, CORPS OF ENGINEERS

##### RIVERS AND HARBORS

For an additional amount, fiscal year 1946, for "Rivers and harbors," including the objects specified under this head in the War Department Civil Appropriation Act, 1946, \$865,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 39, after line 10, to insert:

#### UNITED STATES SUPREME COURT

Preparation of Rules for Civil Procedure: For an additional amount for "Preparation of Rules for Civil Procedure, Supreme Court," fiscal year 1946, \$7,500, to remain available until June 30, 1947.

The amendment was agreed to.

The next amendment was, under the subhead "United States courts for the District of Columbia", on page 39, line 22, after the numerals "1946", to strike out "\$1,300" and insert "\$5,400: *Provided,*



That not to exceed \$3,600 of this amount shall be available for structural changes, alterations, and installation of fixtures and equipment in the Municipal Court Building of the District of Columbia (civil branch), including incidental expenses, to provide accommodations in that building for activities of the District Court of the United States for the District of Columbia."

The next amendment was, on page 40, after line 10, to strike out:

The amendment was agreed to.

#### TITLE II—INCREASED PAY COSTS

SEC. 201. For additional amounts for appropriations for the fiscal year 1946, to meet increased pay costs authorized by the acts of June 30, 1945 (Public Law 106), July 6, 1945 (Public Law 134), July 14, 1945 (Public Law 151), and July 21, 1945 (Public Law 158), and other legislation enacted during or applicable to said fiscal year authorizing increases in pay of Government officers and employees, as follows:

#### LEGISLATIVE BRANCH

For—  
 "Salaries, officers and employees, Senate," \$490,000;  
 "Salaries and expenses, Joint Committee on Printing, Senate," \$1,150;  
 "Salaries and expenses, legislative counsel, Senate," \$12,000;  
 "Contingent expenses, Senate, reporting debates and proceedings of the Senate," \$10,000;  
 "Contingent expenses, Senate, services in cleaning repairing, and varnishing furniture," \$385;  
 "Contingent expenses, Senate, salaries and expenses, Joint Committee on Internal Revenue Taxation, Senate," \$7,000;  
 "Salaries, officers and employees, House of Representatives," \$335,000;  
 "Clerk hire, Members and Delegates, House of Representatives," \$925,000;  
 "Salaries and expenses, legislative counsel, House of Representatives," \$5,000;  
 "Salary and expenses, Joint Committee on Printing, House of Representatives," \$1,150;  
 "Contingent expenses, House of Representatives, folding documents," \$10,000;  
 "Contingent expenses, House of Representatives, furniture and repairs," \$9,500;  
 "Contingent expenses, House of Representatives, miscellaneous items," \$2,500;  
 "Contingent expenses, House of Representatives, Joint Committee on Internal Revenue Taxation," \$7,000;  
 "Contingent expenses, House of Representatives, Speaker's automobile," \$675;  
 "Contingent expenses, House of Representatives, payment for certain services," \$1,200;  
 "Contingent expenses, House of Representatives, attending physician," \$385;  
 "Contingent expenses, House of Representatives, Revision of the Laws," \$1,000;  
 "Contingent expenses, House of Representatives, preparation of a new edition, United States Code (no year)," \$5,000;  
 Architect of the Capitol:  
 Office of the Architect of the Capitol: "Salaries," \$19,000;  
 Capitol Buildings and Grounds:  
 "Capitol buildings," \$91,000;  
 "Capitol grounds," \$32,300;  
 "Senate Office Building," \$97,000;  
 "House Office Buildings," \$129,500;  
 "Capitol power plant," \$85,000;  
 Library of Congress:  
 Copyright Office: "Salaries," \$50,900;  
 Legislative Reference Service: "Salaries," \$35,734;  
 Index to State legislation: "Salaries and expenses," \$6,242;  
 Union catalogs: "Salaries and expenses," \$8,566;

"Motion-picture project," \$696;  
 Library buildings: "Salaries," \$88,326;  
 Total, legislative branch, \$2,468,209.

#### THE JUDICIARY

For—  
 United States Supreme Court:  
 "Salaries," \$70,000;  
 "Structural and mechanical care of the building and grounds," \$29,300;  
 Court of Customs and Patent Appeals:  
 "Salaries," \$10,850;  
 United States Customs Court: "Salaries," \$24,000;  
 Miscellaneous items of expense:  
 "Salaries of clerks of courts," \$675,000;  
 "Probation system, United States courts," \$225,000;  
 "Salaries of criers," \$62,000;  
 "Fees of commissioners," \$110,000;  
 "Miscellaneous salaries," \$85,000;  
 Administrative Office of the United States Courts: "Salaries," \$30,000;  
 Total, the judiciary, \$1,321,150.

#### EXECUTIVE OFFICE OF THE PRESIDENT

For—  
 The White House Office: "Salaries and expenses," \$30,000;  
 Bureau of the Budget: "Salaries and expenses," \$280,000;  
 Office for Emergency Management:  
 "Office of Alien Property Custodian": (The amount, \$332,900, which may be used for general administration expenses by other agencies on a reimbursable basis.)  
 Total, Executive Office of the President, \$340,000.

#### INDEPENDENT OFFICES

For—  
 Civil Service Commission: "Salaries and expenses," \$1,300,000;  
 Employees' Compensation Commission: "Salaries and expenses," \$140,000;  
 Federal Communications Commission: "Salaries and expenses," \$363,000;  
 "Salaries and expenses, national defense," \$194,000;  
 "Federal Deposit Insurance Corporation": (The amount which may be used for administrative expenses is increased by \$417,000.)  
 Federal Power Commission:  
 "Salaries and expenses," \$287,300;  
 "Flood control surveys," \$17,700;  
 Federal Trade Commission: "Salaries and expenses," \$232,000;  
 General Accounting Office: "Salaries," \$4,813,000;  
 Interstate Commerce Commission:  
 "General administrative expenses," \$380,000;  
 "Safety of employees," \$42,000;  
 "Signal safety systems," \$9,800;  
 "Locomotive inspection," \$43,600;  
 "Valuation of property of carriers," \$56,000;  
 "Motor transport regulation," \$341,000;  
 "Salaries and expenses, emergency," \$24,000;  
 "National Capital Housing Authority," \$1,850;  
 National Labor Relations Board:  
 "Salaries," \$348,000;  
 "Salaries and expenses (national defense)," \$57,600;  
 National Mediation Board:  
 "Salaries and expenses," \$19,600;  
 National Railroad Adjustment Board:  
 "Salaries and expenses," \$23,850;  
 Securities and Exchange Commission:  
 "Salaries and expenses," \$385,000;  
 Tariff Commission: "Salaries and expenses," \$120,200;  
 "The Tax Court of the United States," \$48,800;  
 Veterans' Administration: "Administration, medical, hospital, and domiciliary services," \$54,168,000;  
 Total, Independent Offices, \$63,416,300.

#### FEDERAL SECURITY AGENCY

For—  
 "Columbia Institution for the Deaf," \$13,000;  
 Food and Drug Administration:  
 "Enforcement operations," \$433,000;  
 "General administration," \$16,900;  
 Freedmen's Hospital: "Salaries and expenses," \$253,300;  
 Howard University: "Salaries," \$13,500;  
 Office of Education:  
 "Library service," \$3,700;  
 "Services for the blind," \$980;  
 "Salaries," \$61,440;  
 "Salaries and expenses" (vocational education), \$53,300;  
 Public Health Service:  
 "Industrial hygiene," \$11,280;  
 "Foreign quarantine service," \$232,700;  
 "Hospitals and medical care," \$3,935,200;  
 "National Institute of Health," \$228,000;  
 "National Cancer Institute, operating expenses," \$58,700;  
 "Salaries and miscellaneous expenses," \$160,000;  
 Saint Elizabeths Hospital: "Salaries and expenses," \$663,700;  
 Social Security Board:  
 "Salaries, Bureau of Public Assistance," \$130,000;  
 "Salaries, Bureau of Employment Security," \$105,700;  
 "Salaries, Bureau of Old-Age and Survivors' Insurance," \$3,240,200;  
 "Salaries, offices of the Social Security Board," \$525,200;  
 Office of Vocational Rehabilitation:  
 "For payments to States," \$11,500;  
 "For general administrative expenses," \$45,400;  
 Office of the Administrator:  
 "Salaries, Office of the Administrator," \$25,800;  
 "Community War Services," \$62,900;  
 "Salaries, Division of Personnel Management," \$17,000;  
 "Salaries, Division of Service Operations," \$50,700;  
 "Salaries, Office of the General Counsel," \$94,000;  
 Total, Federal Security Agency, \$10,447,100.

#### FEDERAL WORKS AGENCY

For—  
 Office of the Administrator: "Salaries and expenses," \$35,530;  
 Public Buildings Administration:  
 "General administrative expenses," \$201,380;  
 "Salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area," \$4,372,460;  
 "Salaries and expenses, public buildings and grounds outside the District of Columbia," \$1,547,130;  
 Total, Federal Works Agency, \$6,156,500.

#### NATIONAL HOUSING AGENCY

For—  
 Office of the Administrator: "Salaries and expenses":  
 (The amount which may be used for administrative expenses is increased by \$52,900.)  
 Federal Home Loan Bank Administration:  
 "Salaries and expenses": (The amount which may be used for administrative expenses is increased by \$126,000.)  
 Federal Housing Administration: "Salaries and expenses": (The amount which may be used for administrative expenses is increased by \$314,800.)  
 Federal Public Housing Authority: "Salaries and expenses": (The amount which may be used for administrative expenses is increased by \$296,200.)

#### DEPARTMENT OF AGRICULTURE

Office of the Secretary: "Salaries and expenses," \$204,000;  
 Office of the Solicitor: "Salaries and expenses," \$242,000;

Office of Information: "Salaries and expenses," \$72,000;  
 Library, Department of Agriculture: "Salaries and expenses," \$84,000;  
 Bureau of Agriculture Economics:  
 "Economic investigations," \$310,000;  
 "Crop and livestock estimates," \$217,000;  
 Office of Foreign Agricultural Relations:  
 "Salaries and expenses," \$85,000;  
 Extension Service: "Administration and coordination of extension work," \$60,000;  
 Agricultural Research Administration:  
 Office of Administrator: "Salaries and expenses," \$40,000;  
 "Special research fund, Department of Agriculture," \$120,000;  
 Office of Experiment Stations:  
 "Administration of grants and coordination of research with States," \$21,000;  
 "Federal Experiment Station, Puerto Rico," \$9,000;  
 Bureau of Animal Industry:  
 "Animal husbandry," \$159,000;  
 "Diseases of animals," \$76,000;  
 "Eradicating tuberculosis and Bang's disease," \$430,000;  
 "Inspection and quarantine," \$140,000;  
 "Meat inspection," \$159,000;  
 "Virus Serum Toxin Act," \$40,000;  
 "Marketing agreements, hog cholera virus and serum" (increase in sum made available from appropriation made by section 12 (a) of the Agricultural Adjustment Act, approved May 12, 1933, from "\$31,940" to "\$37,740");  
 Bureau of Dairy Industry: "Salaries and expenses," \$99,800;  
 Bureau of Plant Industry, Soils, and Agricultural Engineering:  
 "Field crops," \$240,000;  
 "Fruit, vegetable, and specialty crops," \$205,000;  
 "Forest diseases," \$31,500;  
 "Soils, fertilizers, and irrigation," \$105,000;  
 "Agricultural engineering," \$46,000;  
 "National Arboretum," \$4,800;  
 Bureau of Agricultural and Industrial Chemistry:  
 "Agricultural chemical investigations," \$44,000;  
 "Naval stores investigations," \$17,500;  
 "Regional research laboratories," \$500,000;  
 Bureau of Human Nutrition and Home Economics:  
 "Salaries and expenses," \$73,000;  
 "White pine blister rust control, Department of Agriculture," \$270,000;  
 Forest Service:  
 Salaries and expenses:  
 "General administrative expenses," \$75,000;  
 "National forest protection and management," \$2,550,000;  
 "Forest management," \$116,900;  
 "Range investigations," \$42,100;  
 "Forest products," \$175,000;  
 "Forest resources investigations," \$24,000;  
 "Forest fire cooperation," \$40,000;  
 "Farm and other private forestry cooperation," \$36,000;  
 "Forest roads and trails," \$480,000;  
 Commodity Credit Corporation: "Salaries and administrative expenses" (increase in limitation for administrative expenses by \$743,000);  
 Federal Crop Insurance Act: "Administrative and operating expenses," \$320,000;  
 Soil Conservation Service:  
 "Soil conservation research," \$164,000;  
 "Soil conservation operations," \$4,575,000;  
 "Erosion control, Everglades region, Florida," \$10,200;  
 "Land utilization and retirement of sub-marginal land," \$144,000;  
 Marketing Service:  
 "Market news service," \$142,000;  
 "Market inspection of farm products," \$68,000;  
 "Marketing farm products," \$58,000;  
 "Tobacco Acts," \$67,500;  
 "Perishable Agricultural Commodities, Produce Agency, and Standard Container Acts," \$24,500;

"Cotton Statistics, Classing, Standards, and Futures Acts," \$138,000;  
 "United States Grain Standards Act," \$127,000;  
 "United States Warehouse Act," \$60,000;  
 "Federal Seed Act," \$14,000;  
 "Packers and Stockyards Acts," \$48,000;  
 "Naval Stores Act," \$4,500;  
 "Insecticide Act," \$27,700;  
 "Commodity Exchange Act," \$41,500;  
 "Freight rates for farm products," \$12,000;  
 "Loans, grants, and rural rehabilitation," \$3,200,000;  
 Farm tenancy: "Salaries and expenses," \$365,000;  
 "Water facilities, arid and semiarid areas," \$25,000;  
 Rural Electrification Administration:  
 "Salaries and expenses," \$490,000;  
 Farm Credit Administration: "Salaries and expenses," \$66,800; and increase the funds made available pursuant to act of January 29, 1937, from "\$3,845,209" to "\$4,385,209";  
 Total, Department of Agriculture, \$19,203,300.

## DEPARTMENT OF COMMERCE

For—  
 Office of the Secretary: "Salaries and expenses," \$98,000;  
 Bureau of the Census: "Compiling census reports, etc.," \$735,000;  
 Office of Administrator of Civil Aeronautics:  
 "General administration, Office of the Administrator," \$370,000;  
 "Technical development," \$42,000;  
 "Enforcement of safety regulations," \$386,000;  
 "Airport Advisory Service," \$33,000;  
 "Maintenance and operation of aircraft," \$43,000;  
 "Maintenance and operation, Washington National Airport," \$107,000;  
 "Civil Aeronautics Board, salaries and expenses," \$135,000;  
 Coast and Geodetic Survey:  
 "Salaries and expenses, departmental," \$169,000;  
 "Salaries and expenses, field," \$258,000;  
 Bureau of Foreign and Domestic Commerce:  
 "Departmental salaries and expenses," \$275,000;  
 "Field office service," \$62,800;  
 Patent Office: "Salaries," \$400,000;  
 National Bureau of Standards:  
 "Operation and administration," \$75,000;  
 "Testing, inspection, and information service," \$178,000;  
 "Research and development," \$192,000;  
 "Standards for commerce," \$30,000;  
 Total, Department of Commerce, \$3,588,800.

## DEPARTMENT OF THE INTERIOR

For—  
 Office of the Secretary:  
 "Salaries," \$195,000;  
 "Office of Solicitor," \$29,900;  
 "Division of Territories and Island Possessions," \$14,200;  
 Petroleum Conservation Division: "Salaries and expenses," \$12,600;  
 Division of Geography: "Salaries and expenses," \$1,350;  
 "Soil and moisture conservation operations," \$123,400;  
 "Commission of Fine Arts," \$860;  
 Grazing Service:  
 "Salaries and expenses," \$142,000;  
 "Range improvements," \$9,050;  
 General Land Office:  
 "Salaries," \$138,940;  
 "Surveying public lands," \$50,000;  
 "Salaries and expenses, branch of field examination," \$15,370;  
 "Salaries and expenses of land offices," \$42,300;  
 "Forest management and protection, public domain, Alaska," \$19,660;

"Revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands, Oregon (reimbursable)," \$13,000;  
 "Range improvements on public lands outside of grazing districts (receipt limitation)," \$2,000;

Bureau of Indian Affairs:  
 Salaries and general expenses:  
 "Departmental personal services," \$115,200;  
 "Maintaining law and order on Indian reservations," \$17,590;  
 Industrial assistance and advancement:  
 "Preservation of timber on Indian reservations," \$134,500;  
 "Expenses incidental to the sale of timber (reimbursable)," \$26,820;  
 "Developing agriculture and stock raising among the Indians," \$80,000;  
 "Development of water supply," \$6,700;  
 Irrigation and drainage:  
 "Construction, repair, and maintenance of irrigation systems (reimbursable)," \$20,200;  
 "Operation and maintenance of the San Carlos project (receipt limitation)," \$28,880;  
 "Improvement, operation, and maintenance of the irrigation and power systems on the Colorado River Indian Reservation (receipt limitation)," \$3,030;  
 "Improvements, maintenance, and operation of the Fort Hall irrigation systems," \$5,840;  
 "Improvements, maintenance, and operation of the Fort Hall irrigation systems (receipt limitation)," \$5,760;  
 "Maintenance and operation, repairs, and purchase of stored waters, irrigation systems, Fort Belknap Reservation (reimbursable)," \$750;  
 "Maintenance and operation, repairs, and purchase of stored waters, irrigation systems, Fort Belknap Reservation (receipt limitation)," \$640;  
 "Maintenance and operation of the several units of the Fort Peck project (reimbursable)," \$740;  
 "Maintenance and operation of the several units of the Fort Peck project (receipt limitation)," \$1,400;  
 "Improvement, maintenance, and operation of the irrigation systems of the Black-foot Indian Reservation (reimbursable)," \$730;  
 "Improvement, maintenance, and operation of the irrigation systems on the Black-foot Indian Reservation (receipt limitation)," \$1,780;  
 "Operation and maintenance of the irrigation and power systems on the Flathead Reservation (receipt limitation)," \$25,780;  
 "Improvement, maintenance, and operation of the irrigation systems on the Crow Reservation (reimbursable)," \$450;  
 "Improvement, maintenance, and operation of the irrigation systems on the Crow Reservation (receipt limitation)," \$4,360;  
 "Improvement, maintenance, and operation of miscellaneous irrigation projects on the Klamath Reservation (receipt limitation)," \$490;  
 "Continuing operation and maintenance and betterment of the irrigation system to irrigate allotted lands of the Uncompahgre, Uintah, and White River Utes (reimbursable)," \$950;  
 "Continuing operation and maintenance and betterment of the irrigation system to irrigate allotted lands of the Uncompahgre, Uintah, and White River Utes (receipt limitation)," \$2,620;  
 "Operation and maintenance of the Wapato irrigation and drainage systems, Yakima Indian Reservation (receipt limitation)," \$26,510;  
 "Operation and maintenance of irrigation systems within the ceded and diminished portions of the Wind River Reservation (reimbursable)," \$410;  
 "Operation and maintenance of irrigation systems within the ceded and diminished portions of the Wind River Reservation (receipt limitation)," \$1,200;



## Education:

"Support of Indian Schools," \$886,700;  
 "Support and education of Indian pupils at nonreservation boarding schools," \$417,300;

"Natives in Alaska," \$224,000;

Conservation of health:

"Conservation of health among Indians," \$1,988,500;

"Medical relief in Alaska," \$102,000;

General support and administration:

"General administration of Indian property," \$451,100;

"Reindeer service," \$6,770;

"Administration of Indian tribal affairs (tribal funds, \$12,333)";

"Support of Klamath Agency, Oregon (tribal funds \$19,525)";

"Support of Menominee Agency and pay of tribal officers, Wisconsin (tribal funds, \$3,860)";

"Support of Osage Agency and pay of tribal officers, Oklahoma (tribal funds, \$27,600)";

Bureau of Reclamation:

Reclamation fund, special fund:

"Parker Dam power project, Arizona-California (from power revenues \$18,100)";

"Yuma project, Arizona-California," \$11,000;

"Boise project, Idaho," \$10,000;

"Minidoka project, Idaho," \$5,300;

"Minidoka project, Idaho (from power revenues, \$15,000)";

"Rio Grande project, New Mexico-Texas (from power revenues, \$5,400)";

"Owyhee project, Oregon," \$21,200;

"Klamath project, Oregon-California," \$11,000;

"Columbia Basin project, Washington (from power revenues, \$63,000)";

"Yakima project, Washington," \$21,500;

"Riverton project, Wyoming," \$4,000;

"Shoshone project, Wyoming," \$1,800;

"Shoshone project, Wyoming (from power revenues, \$2,000)";

"Salaries and expenses (other than project offices)," \$456,200;

General fund, construction: "Colorado River project, Texas (reimbursable)," \$6,900;

"Geological Survey," \$151,500;

Bureau of Mines:

"Salaries and expenses," \$9,500;

"Operating mine rescue cars and stations and investigation of mine accidents," \$88,600;

"Coal-mine inspections and investigations," \$122,380;

"Mineral mining investigations," \$35,000;

"Buildings and grounds, Pittsburgh, Pa.," \$18,300;

"Economics of mineral industries," \$40,000;

"National Park Service," \$636,000;

"Recreational demonstration areas," \$17,860;

"Salaries and expenses, National Capital parks," \$70,500;

Fish and Wildlife Service: "Salaries and expenses," \$543,100;

Government in the Territories:

Territory of Alaska: "Expenses of the offices of the Governor and the Secretary," \$3,000;

Territory of Hawaii: "Expenses of the offices of the Governor and the Secretary," \$1,100;

Government of the Virgin Islands: "Salaries of the Governor and employees," \$7,370;

Total, Department of the Interior, \$7,687,440;

## DEPARTMENT OF JUSTICE

For—

Legal activities and general administration:

"Office of the Attorney General," \$9,600;

"Office of the Solicitor General," \$5,000;

"Office of Assistant to the Attorney General," \$16,000;

"Administrative Division," \$201,500;

"Tax Division," \$87,700;

"Criminal Division," \$11,300;

"Claims Division," \$129,000;

"Office of the Assistant Solicitor General,"

\$15,000;

"Office of Pardon Attorney," \$4,000;

"Salaries and expenses, Customs Division,"

\$18,000;

"Salaries and expenses, Antitrust Division,"

\$175,000;

"Miscellaneous salaries and expenses, field,"

\$18,000;

"Salaries and expenses of district attorneys, etc.," \$599,000;

"Compensation of special attorneys, etc.,"

\$7,900;

"Salaries and expenses of marshals, etc.,"

\$507,000;

"Pay and expenses of bailiffs," \$39,000;

Federal Bureau of Investigation: "Salaries and expenses, detection and prosecution of crimes," \$1,249,000;

Immigration and Naturalization Service:

"Salaries and expenses, Immigration and Naturalization Service," \$3,720,000;

Federal Prison System:

"Salaries and expenses, Bureau of Prisons,"

\$53,800;

"Salaries and expenses, penal and correctional institutions," \$3,639,000;

"Medical and hospital service," \$224,700;

Total, Department of Justice, \$10,729,500;

## DEPARTMENT OF LABOR

For—

Office of the Secretary:

"Salaries," \$68,600;

"Salaries and expenses, Office of the Solicitor," \$110,900;

"Salaries and expenses, Division of Labor Standards," \$23,500;

"Commissioners of Conciliation," \$59,050;

"Commissioners of Conciliation (national defense)," \$206,300;

Bureau of Labor Statistics:

"Salaries and expenses," \$215,100;

"Salaries and expenses (national defense),"

\$423,700;

Children's Bureau:

"Salaries and expenses," \$55,460;

"Salaries and expenses, child-labor provisions," \$35,970;

"Salaries and expenses, maternal and child welfare," \$59,170;

"Salaries and expenses, emergency maternity and infant care (national defense),"

\$5,750;

Women's Bureau: "Salaries and expenses,"

\$33,500;

Wage and Hour Division: "Salaries," \$635,200;

War manpower functions:

"Apprentice training service," \$73,100;

"Employment office facilities and services,"

\$5,504,800;

Total, Department of Labor, \$7,510,100;

## POST OFFICE DEPARTMENT

(Out of the postal revenues)

For—

Post Office Department, Washington, D. C.:

"Office of the Postmaster General: 'Salaries,'" \$52,800;

Salaries in bureaus and offices:

"Office of Budget and Administrative Planning," \$5,300;

"Office of the First Assistant Postmaster General," \$138,000;

"Office of the Second Assistant Postmaster General," \$140,400;

"Office of the Third Assistant Postmaster General," \$202,700;

"Office of the Fourth Assistant Postmaster General," \$93,000;

"Office of the Solicitor for the Post Office Department," \$18,770;

"Office of the Chief Inspector," \$59,100;

"Office of the Purchasing Agent," \$11,500;

"Bureau of Accounts," \$57,100;

Field service, Post Office Department:

Office of Chief Inspector:

"Salaries of inspectors," \$563,900;

"Clerks, division headquarters," \$187,300;

Office of the First Assistant Postmaster

General:

"Rural delivery service," \$17,385,000;

Office of the Fourth Assistant Postmaster

General:

"Post office stationery, equipment, and supplies," \$20,700;

"Pneumatic-tube service, New York City,"

\$52,800;

Total, Post Office Department, \$18,988,370;

## DEPARTMENT OF STATE

For—

Office of the Secretary of State:

"Salaries," \$1,861,810;

"Passport agencies," \$10,410;

"Collecting and editing official papers of Territories of the United States," \$400;

Foreign service:

"Salaries, ambassadors and ministers,"

\$13,000;

"Salaries, foreign service officers," \$294,000;

"Salaries of clerks, foreign service,"

\$518,159;

"Miscellaneous salaries and allowances, foreign service," \$55,850;

"Foreign service, auxiliary (emergency),"

\$400,000;

International obligations:

"Salaries and expenses, International Boundary Commission, United States and Mexico," \$61,400;

"Supplemental construction on the Rio Grande in the El Paso Juarez Valley," \$9,800;

"International Boundary Commission, United States and Canada and Alaska and Canada," \$2,530;

"Salaries and expenses, International Joint Commission, United States and Great Britain," \$3,080;

"Special and technical investigations, International Joint Commission, United States and Great Britain," \$8,300;

"Cooperation with the American republics," \$98,370;

Total, Department of State, \$3,337,100;

## TREASURY DEPARTMENT

For—

Office of the Secretary: "Salaries," \$57,400;

Division of Tax Research: "Salaries," \$25,200;

Office of Tax Legislative Counsel: "Salaries," \$11,800;

Division of Research and Statistics:

"Salaries," \$26,600;

Office of General Counsel: "Salaries,"

\$21,800;

Division of Personnel: "Salaries," \$32,200;

Office of Chief Clerk: "Salaries," \$68,200;

Fiscal service:

Bureau of Accounts:

"Salaries and expenses," \$180,800;

"Division of Disbursement, salaries and expenses," \$1,075,900;

Bureau of the Public Debt: "Administering the public debt," \$7,612,000;

Office of the Treasurer of the United States:

"Salaries and expenses," \$881,700;

"Salaries (reimbursable)," \$17,300;

Bureau of Customs: "Salaries and expenses," \$6,000,000;

Office of the Comptroller of the Currency:

"Salaries," \$44,200;

Bureau of Narcotics: "Salaries and expenses," \$178,800;

Bureau of Engraving and Printing: "Salaries and expenses," \$1,035,700;

Secret Service Division:

"White House Police," \$49,500;

Bureau of the Mint:

"Salaries and expenses, Office of the Director," \$23,000;

"Salaries and expenses, mints and assay offices," \$242,900;

Procurement Division: "Salaries and expenses," \$70,900;

Total, Treasury Department, \$17,655,900;

## WAR DEPARTMENT

For—  
The Panama Canal:  
"Maintenance and operation of the Panama Canal," \$587,000;  
"Sanitation, Canal Zone," \$477,000;  
"Civil government," \$361,000;  
Total, War Department, \$1,425,000;

## DISTRICT OF COLUMBIA

For—  
General administration:  
"Executive office," \$17,550;  
"Office of the corporation counsel," \$17,720;  
"Board of Tax Appeals," \$2,790;  
Fiscal Service:  
"Assessor's office," \$45,870;  
"Collector's office," \$19,530;  
"Auditor's office," \$36,400;  
"Purchasing Division," \$7,640;  
Regulatory agencies:  
"Alcoholic Beverage Control Board," \$6,210;  
"Board of Indeterminate Sentence and Parole," \$4,840;  
"Coroner's office," \$7,050;  
"Department of Insurance," \$7,300;  
"Department of Weights, Measures, and Markets," \$19,670;  
"Minimum Wage and Industrial Safety Board," \$6,750;  
"Office of Administrator of Rent Control," \$6,510;  
"Office of Recorder of Deeds," \$32,500;  
"Poundmaster's office," \$9,230;  
"Public Utilities Commission," \$14,320;  
"Zoning Commission," \$2,170;  
Public Schools:  
Operating expenses:  
"General administration," \$71,330;  
"General supervision and instruction," \$1,355,160;  
"Vocational education, George Deen program," \$16,350;  
"Operation of buildings and maintenance of equipment," \$386,460;  
"Public Library," \$112,740;  
Recreation Department: "Operating expenses," \$56,410;  
"Metropolitan Police," \$777,040;  
"Fire Department," \$383,400;  
"Policemen's and Firemen's Relief," \$292,190;  
Courts:  
"Juvenile court," \$27,260;  
"Psychiatric service, juvenile court," \$1,360;  
"Municipal court," \$45,440;  
"Municipal court of appeals," \$5,000;  
"Probation system," \$4,920;  
"Office of Register of Wills," \$13,730;  
"Commission on Mental Health," \$2,840;  
Health Department:  
"Health Department (excluding hospitals)," \$209,010;  
"Glenn Dale Tuberculosis Sanatorium," \$225,400;  
"Operating expenses, Gallinger Municipal Hospital," \$504,130;  
Public welfare:  
"Office of the Director," \$7,920;  
Family Welfare Service:  
"Operating expenses, child care," \$20,000;  
"Adult assistance," \$32,700;  
"Operating expenses, institutions for the indigent," \$55,730;  
Juvenile Correctional Service: "Operating expenses," \$65,410;  
Adult Correctional Service: "Operating expenses," \$279,740;  
Mental Rehabilitation Service:  
"Operating expenses, District Training School," \$111,300;  
"Saint Elizabeths Hospital," \$903,400;  
Public works:  
"Office of chief clerk," \$4,560;  
"Office of Municipal Architect," \$13,800;  
"Operating expenses, Office of Superintendent of District Buildings," \$91,650;  
"Surveyor's office," \$7,960;  
"Department of Inspections," \$60,550;  
"Operating expenses, Electrical Division," \$49,790;

"Central garage," \$4,200;  
"Department of Vehicles and Traffic (payable from highway fund)," \$40,500;  
"Reimbursement of other appropriations (payable from highway fund)," \$109,600;  
"Operating expenses, Refuse Division," \$46,900;  
"Operating expenses, Sewer Division," \$59,260;  
"Operating expenses, Water Division (payable from water fund)," \$83,650;  
Washington Aqueduct: "Operating expenses (payable from water fund)," \$22,360;  
"National Capital Parks," \$96,420;  
"National Capital Park and Planning Commission," \$7,410;  
"National Zoological Park," \$65,670;  
Total, District of Columbia, \$6,994,700;

## DIVISION OF EXPENSES

The sums appropriated in this act for the District of Columbia shall, unless otherwise specifically provided, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1946.

SEC. 202. The restrictions contained in appropriations or affecting appropriations or other funds, available during the fiscal year 1946, limiting the amounts which may be expended for personal services or for other purposes, or amounts which may be transferred between appropriations or authorizations, are hereby waived to the extent necessary to meet increased pay costs authorized by the acts of June 30, 1945 (Public Law 106), July 6, 1945 (Public Law 134), July 14, 1945 (Public Law 151), and July 21, 1945 (Public Law 158), and other legislation enacted during or applicable to the fiscal year 1946 authorizing increased pay for civilian employees of the Government.

Mr. McKELLAR. The whole of title II is stricken out because Congress took action some time ago making similar provision.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The next amendment was, in the heading, on page 74, line 9, after the word "Title", to strike out "III" and insert "II"; and in line 12, to change the section number from 301 to 201.

The amendment was agreed to.

The next amendment was, on page 75, after line 14, to insert:

(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sum not exceeding \$1,000 in any one case," approved December 28, 1922 (31 U. S. C. 215), as fully set forth in Senate Document No. 161, Seventy-ninth Congress, as follows:

Executive Office of the President:  
Office for Emergency Management; Office of Scientific Research and Development, \$33.24;

Independent offices:  
National Advisory Committee for Aeronautics, \$28.06;  
Federal Works Agency, \$471.20;  
Department of Agriculture, \$1,544.60;  
Department of Commerce, \$15;  
Department of the Interior, \$1,440.41;  
Post Office Department (payable from postal revenues), \$332.48;  
Treasury Department, \$2,667.94;  
In all, \$6,532.93.

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States

Courts," on page 76, line 15, change the section number from 302 to 202; and in line 21, after the word "in", to insert "Senate Document Numbered 159, and."

The amendment was agreed to.

The next amendment was, on page 77, after line 4, to insert: "State Department, \$768.80."

The amendment was agreed to.

The next amendment was, on page 77, line 7, after "War Department", to strike out "\$4,762.84" and insert "\$26,129.04."

The amendment was agreed to.

The next amendment was, on page 77, line 8, after the words "In all", to strike out "\$20,924.08" and insert "\$43,059.08."

The amendment was agreed to.

The next amendment was, on page 77, line 18, after the word "in", to insert "Senate Document No. 158, and."

The amendment was agreed to.

The next amendment was, on page 77, line 21, after "Navy Department", to strike out "\$35,000" and insert "\$52,500."

The amendment was agreed to.

The next amendment was, on page 77, line 22, after "War Department", to strike out "\$9,731.68" and insert "\$36,188.27."

The amendment was agreed to.

The next amendment was, on page 77, line 23, after the words "In all", to strike out "\$44,731.68" and insert "\$88,688.27"; and on page 78, line 1, after the word "judgments", to insert "listed in Senate Document No. 158 and House Document No. 472; also necessary sum to pay interest on judgments set forth in Senate Document No. 112, the principal of the judgments having been appropriated for in Public, 269, dated December 28, 1945."

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States Court of Claims," on page 78, line 12, to change the section number from 303 to 203; and in line 14, after the word "in", to insert "Senate Document No. 160, and."

The amendment was agreed to.

The next amendment was, on page 78, after line 16, to insert:

Legislative branch: Architect of the Capitol, \$6,781.49.

The amendment was agreed to.

The next amendment was, on page 78, line 21, after the words "Public Buildings Administration", to strike out "\$9,000" and insert "\$90,998.15."

The amendment was agreed to.

The next amendment was, on page 79, line 5, after "Navy Department", to strike out "\$1,787.62" and insert "\$4,426.62."

The amendment was agreed to.

The next amendment was, on page 79, line 6, after "Treasury Department", to strike out "\$120,819.71" and insert "\$127,333.47."

The amendment was agreed to.

The next amendment was, on page 79, line 7, after "War Department", to strike out "\$112,303.37" and insert "\$115,884.55."

The amendment was agreed to.

The next amendment was, on page 79, line 8, after the words "In all", to strike out "\$589,033.86" and insert "\$690,547.44"; and in line 10, after the word "judgments", to insert "and interest on



the mandate issued in the case of Louis Townsley, Court of Claims No. 45097."

The amendment was agreed to.

The next amendment was, under the subhead "Audited claims," on page 79, line 21, to change the section number from 304 to 204; on page 80, line 6, after the word "in", to insert "Senate Document No. 162, and"; in line 8 after the words "sum of", to strike out "\$10,194,651.06" and insert "\$12,202,715.10"; in line 13, after the word "fund", to strike out "\$446.24" and insert "\$472.49"; in line 14, after the word "and", to strike out "\$549,355.34" and insert "\$563,026.40"; and in line 15, after the words "in all", to strike out "\$10,744,452.64" and insert "\$12,766,213.99."

The amendment was agreed to.

The next amendment was, in the heading on page 81, line 4, after the word "Title", to strike out "IV" and insert "III"; and in line 5 to change the section number from 401 to 301.

The amendment was agreed to.

The next amendment was, on page 82, line 1, to change the section number from 402 to 302.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5890) was read the third time, and passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. BROOKS, Mr.

BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

Mr. LANGER. Mr. President, I should like to ask the Senator from Tennessee a question about an item appearing on page 79 of the bill. Can the Senator tell us about the case of Louis Townsley, which seems to involve \$690,000?

Mr. McKELLAR. That item is for overtime payments to employees of the Panama Canal. The whole amount involved goes to them because of the law which Congress passed.

Mr. LANGER. Townsley was simply one man suing for himself and all the others?

Mr. McKELLAR. Yes; for himself and all the others.

Mr. LANGER. How many employees were involved?

Mr. McKELLAR. That is not shown. The amount involved represents the judgment of the court, and that is why it is not given in detail.

Mr. LANGER. I thank the Senator from Tennessee.

#### ERECTION OF STATUE OF NATHAN HALE IN THE DISTRICT OF COLUMBIA

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report favorably, without amendment, Senate Joint Resolution 84, and ask unanimous consent for its consideration.

There being no objection, the joint resolution (S. J. Res. 84) introduced by Mr. McMAHON (for himself and Mr. HART) on July 12, authorizing the erection in the District of Columbia of a statue of Nathan Hale, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.,* That the Secretary of the Interior is hereby authorized and directed to grant authority to the Second National Bank, of New Haven, Conn., executor of the estate of the late George Dudley Seymour, to erect the bronze statue of Nathan Hale, bequeathed by him to the United States of America, including pedestal, on an appro-

priate site on grounds now owned by the United States in the District of Columbia: *Provided*, That the site chosen shall be approved by the National Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of this statue: *Provided further*, That unless the erection of this statue is begun within 5 years from and after the date of passage of this joint resolution, the authorization hereby granted is revoked.

#### REAPPOINTMENT OF DR. VANNEVAR BUSH AS CITIZEN REGENT OF THE SMITHSONIAN INSTITUTION

Mr. BARKLEY. Mr. President, from the Committee on the Library I report favorably, without amendment, House joint resolution 333, and ask unanimous consent for its present consideration.

There being no objection, the joint resolution (H. J. Res. 333), to provide for the reappointment of Dr. Vannevar Bush as citizen regent of the Board of Regents of the Smithsonian Institution, was considered, ordered to a third reading, read the third time, and passed.

#### EXPORTS AND IMPORTS OF PAPER AND PAPER MATERIAL

Mr. KNOWLAND. Mr. President, at the time the lumber hearings were being held by a subcommittee of the Committee on Agriculture and Forestry, a remark was made by one of the witnesses relative to some type of agreement between Great Britain or Canada and the United States, dealing with what I understood to be the lumber situation. I went into the matter somewhat, and tried to obtain information. I find that the agreement apparently was not with respect to lumber as such, but with respect to wood pulp and newsprint.

At this point in my remarks, Mr. President, I ask unanimous consent to place in the RECORD the figures of imports and exports of various types of paper products.

There being no objection, the table was ordered to be printed in the RECORD as follows:

*United States exports<sup>1</sup> of paper and paper materials, annual, 1940-45, and monthly, January 1945 to February 1946*

[Values in thousands of dollars]

Period	Paper and paper materials						
	Total	Paper base stocks			Paper and manufactures		
		Total	Waste <sup>2</sup>	Other	Total	Newsprint	Other
<b>Annual:</b>							
1940.....	98,782	35,441	4,287	31,154	63,341	2,644	60,697
1941.....	92,672	25,633	3,268	22,365	67,039	4,820	62,219
1942.....	87,790	26,042	847	25,195	61,748	3,016	58,732
1943.....	86,331	21,715	490	21,225	64,616	2,478	62,138
1944.....	90,183	16,355	276	16,079	73,828	2,513	71,315
1945.....	102,015	10,936	275	10,661	91,079	3,159	87,920
<b>Monthly:</b>							
1945—							
January.....	8,025	781	8	773	7,244	108	7,136
February.....	6,954	650	7	643	6,304	101	6,203
March.....	9,753	1,286	12	1,274	8,467	417	8,050
April.....	9,228	1,625	17	1,608	7,603	296	7,307
May.....	10,134	1,305	13	1,292	8,829	176	8,653
June.....	9,058	1,501	75	1,426	7,557	422	7,135
July.....	10,741	1,826	10	1,816	8,915	602	8,313
August.....	8,091	884	11	873	7,207	256	6,951
September.....	6,595	198	37	161	6,397	292	6,105
October.....	5,487	384	26	358	5,103	173	4,930
November.....	9,940	289	21	268	9,651	191	9,460
December.....	8,009	207	38	169	7,802	123	7,679
1946—							
January.....	10,229	357	84	273	9,872	566	9,306
February.....	8,553	243	84	159	8,310	182	8,128

<sup>1</sup> United States merchandise.

<sup>2</sup> Waste, including overissue and old newspapers.

United States imports<sup>1</sup> of paper and paper materials, annual, 1940-45, and monthly, January 1945 to February 1946

[Values in thousands of dollars]

Period	Paper and paper materials						
	Total	Paper base stocks			Paper and manufactures		
		Total	Waste	Other	Total	Newsprint	Other
Annual:							
1940.....	208,025	75,414	1,257	74,157	132,611	124,659	7,952
1941.....	231,008	84,204	2,458	81,806	146,744	134,124	12,620
1942.....	232,045	93,224	2,297	90,927	138,821	130,387	8,434
1943.....	233,990	95,475	1,882	93,593	138,515	132,268	6,247
1944.....	233,769	92,166	2,253	89,913	141,603	135,242	6,361
1945.....	297,777	140,244	2,442	137,802	157,533	150,814	6,719
Monthly:							
1945—							
January.....	17,384	7,609	172	6,837	10,375	9,904	471
February.....	17,471	7,333	164	7,169	10,138	9,573	565
March.....	20,006	7,912	153	7,759	12,094	11,516	578
April.....	19,213	7,104	206	6,897	12,110	11,500	520
May.....	21,071	7,627	204	7,423	13,444	12,828	616
June.....	21,786	8,949	275	8,674	12,837	12,189	648
July.....	35,974	11,382	137	11,245	14,592	13,904	688
August.....	28,910	14,619	224	14,395	14,291	13,682	609
September.....	27,051	13,975	181	13,794	13,076	12,539	537
October.....	25,231	10,587	285	10,302	15,644	15,129	515
November.....	31,927	16,650	244	16,406	15,277	14,809	468
December.....	31,753	18,098	198	17,900	13,655	13,152	503
1946—							
January.....	32,566	16,642	174	16,768	15,624	14,997	627
February.....	27,259	11,691	190	11,501	15,568	14,930	638

<sup>1</sup> Imports for consumption.

Mr. KNOWLAND. Mr. President, I desire to read into the RECORD a letter which I have received from Mr. Louis J. Walinsky, of the Civilian Production Administration, dated April 24, and addressed to me, as follows:

DEAR SENATOR KNOWLAND: At your request I am transmitting a copy of the preliminary report of the combined pulp and paper working group to the Combined Raw Materials Board which was submitted under date of June 16, 1945, and considered by the Combined Raw Materials Board at a meeting on June 19, 1945. The minutes of the meeting of June 19 are also attached and should be considered as amending in some parts the preliminary report. I am transmitting also for your information a copy of a report made to the Combined Raw Materials Board by the pulp and paper mission to London and Stockholm, July 3-23, 1945, in the attempt to carry further the recommendations made in the original findings of the combined pulp and paper working group.

The material is classified as confidential.

If there is any further information I can give you in connection with this matter I shall be glad to do so.

Very truly yours,

LOUIS J. WALINSKY.

Mr. President, I merely wish to say at this point in my remarks—and I shall have something further to say at a later date—that I think it is fundamentally bad practice for the Government of the United States to negotiate an agreement and keep it secret from the American people for the period of time this agreement has been kept secret. I do not at this point intend to disclose the agreement itself, but I have requested the Civilian Production Administration forthwith to remove it from material which is classified as confidential so that it can be made public. The report referred to in the letter deals with an agreement with certain foreign countries that the United States would not go into the Scandinavian countries for the purchase of newsprint in meeting commitments. I believe there is no national security involved in such an agreement. I believe the Congress and the American people are entitled to the facts, and whether it

be this agreement or another one where the national security is not involved, where negotiations are not pending which might be upset, I do not see any reason for withholding it. It does not make sense to me to try and hold such an agreement from the Congress or from the people by giving it a high classification.

#### EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MAYBANK in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

#### VIRGIN ISLANDS—NOMINATION PASSED OVER

The legislative clerk read the nomination of William H. Hastie, of the District of Columbia, to be Governor of the Virgin Islands.

Mr. BARKLEY. At the request of one or two Members of the Senate, I ask that that nomination go over.

The PRESIDING OFFICER. Without objection, the nomination will go over.

#### FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

Mr. BARKLEY. Mr. President, with the exception of Report No. 24, Calendar No. 729, the nomination of Lowell C. Pinkerton, of Missouri, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iraq, which the Senator from Missouri [Mr. DONNELL] has asked to be put over, I ask unanimous consent that the remaining nominations in the foreign service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the foreign service, with the exception of that of Lowell C. Pinkerton, of Missouri, are confirmed en bloc.

Mr. LANGER. Mr. President, I am not going to object, but I want to say again, as I did some time ago, that North Dakota has never had a single ambassador appointed to any country in the 55 years of its existence. Here is another batch of appointments of men coming from New York, Pennsylvania, Virginia, and other States, and yet in the 55 years of its existence North Dakota has not had any. I serve notice now that if North Dakota does not receive an ambassadorial appointment soon I shall continue to object to every single ambassador who may be nominated.

#### UNITED STATES PUBLIC SERVICE

The legislative clerk read the nomination of Thomas A. Foster to be pharmacist in the regular corps, United States Public Health Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be



immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

#### RECESS TO MONDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate took a recess until Monday, April 29, 1946, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate April 26 (legislative day of March 5), 1946:

##### SELECTIVE SERVICE SYSTEM

Joseph Kormann for appointment as Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System, under the provisions of section 10(a) (3) of the Selective Training and Service Act of 1940, as amended.

Compensation for the position of Assistant Chief, Research and Statistics Division, Philadelphia Branch, Selective Service System, will be at the rate of \$6,230 per annum.

##### UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the United States Public Health Service:

##### TO BE SENIOR ASSISTANT SCIENTISTS, EFFECTIVE DATE OF OATH OF OFFICE

Raymond Fagan	William J. Bowen
George A. Hottle	Falconer Smith
Samuel B. Salvin	

##### ASSISTANT SURGEONS TO BE SENIOR ASSISTANT SURGEONS, EFFECTIVE DATES INDICATED

Edwin D. Merrill, March 25, 1946.
Vernon G. Guenther, October 8, 1945.
Manrico A. Troncellito, February 8, 1946.
Herbert Tabor, January 1, 1946.

##### ASSISTANT SANITARY ENGINEER TO BE SENIOR ASSISTANT SANITARY ENGINEER, EFFECTIVE JANUARY 30, 1946

Donald L. Snow

##### SENIOR SURGEON TO BE TEMPORARY MEDICAL DIRECTOR

Franklin J. Halpin

##### SENIOR ASSISTANT SURGEONS TO BE TEMPORARY SURGEONS

Eugene J. Gillespie	Robert W. Blach
Charles W. Parker	Frederick K. Albrecht
Carlton H. Waters	Alfred H. Lawton
John L. Lincoln	Marion B. Richmond
Clarence B. Mayes	Glen E. Ogden
Donald W. McNaughton	

##### ASSISTANT SURGEON TO BE TEMPORARY SENIOR ASSISTANT SURGEON

Robert E. Staff

##### SENIOR ASSISTANT DENTAL SURGEON TO BE TEMPORARY SENIOR DENTAL SURGEON

George A. Nevitt

##### SENIOR ASSISTANT DENTAL SURGEON TO BE TEMPORARY DENTAL SURGEON

John C. Heckel

##### ASSISTANT DENTAL SURGEON TO BE TEMPORARY DENTAL SURGEON

Joseph E. Unsworth

##### ASSISTANT DENTAL SURGEON TO BE TEMPORARY SENIOR ASSISTANT DENTAL SURGEON

Stanley J. Ruzicka

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#### POSTMASTERS

The following-named persons to be postmasters:

##### ALABAMA

Ruth Camp McCarter, Malone, Ala., in place of E. C. Dobson, resigned.  
William H. McDonough, Whistler, Ala., in place of W. H. McDonough. Incumbent's commission expired June 23, 1942.

##### ARKANSAS

Finis F. Wood, Pea Ridge, Ark., in place of E. L. Armstrong, transferred.  
Jerry Bassett, Walnut Ridge, Ark., in place of J. J. Sharum, resigned.

##### CALIFORNIA

Robert F. Keefe, Folsom, Calif., in place of H. M. McFarland, resigned.

##### GEORGIA

Clem Holland, Resaca, Ga., in place of F. F. Barnett, retired.

##### INDIANA

Ruth E. Noonan, Lagro, Ind., in place of G. M. Mougeotte, resigned.  
Dorothy L. Patten, Yoder, Ind. Office became Presidential July 1, 1945.

##### IOWA

John W. Downey, Argyle, Iowa. Office became Presidential July 1, 1945.  
Clifford L. Hamilton, Bettendorf, Iowa, in place of A. R. Otto, resigned.  
Edward F. Floody, Castalia, Iowa. Office became Presidential July 1, 1945.  
Emma M. Skoda, Protivin, Iowa, in place of W. M. Landa, resigned.  
Selma P. Paulson, Rutland, Iowa. Office became Presidential July 1, 1945.  
George H. Ellerhoff, Sperry, Iowa. Office became Presidential July 1, 1945.

##### KANSAS

Elmer G. Jackson, Manhattan, Kans., in place of W. E. Moore, retired.

##### MARYLAND

Edith W. Dewey, Elk Mills, Md., in place of E. S. Wright, to correct name.

##### MASSACHUSETTS

Wilfred E. Miller, Griswoldville, Mass., in place of W. A. Smith, resigned.

##### MICHIGAN

Claude L. Bauman, Shingleton, Mich. Office became Presidential July 1, 1945.

##### NORTH CAROLINA

Lawson J. McCombs, Faith, N. C. Office became Presidential July 1, 1944.

##### OHIO

E. Alice Rushton, Kingsville, Ohio, in place of W. N. Long, resigned.

##### TEXAS

Roxie L. Dunn, Forestburg, Tex., in place of Roe Sledge, transferred.  
Rufus O. Warner, Pearland, Tex., in place of M. M. Reasoner, resigned.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate April 26 (legislative day of March 5), 1946:

##### FOREIGN SERVICE

Joseph Flack to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

J. Rives Childs to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

Edwin F. Stanton to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Siam.

#### TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Charles A. Bay  
H. Merrell Benninghoff  
Kenneth C. Krentz

#### TO BE FOREIGN-SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Keld Christensen	Robert H. Lunt
Robert J. Gibbons	Elie Jan Nadelman
David G. Nes	Miss Helen R. Nicholl
Robert M. Sheehan	Robert Irving Owen
Henry C. Barkhorn, Jr.	Claiborne Pell
Herbert S. Bennett	

##### UNITED STATES PUBLIC HEALTH SERVICE

Thomas A. Foster to be a pharmacist in the Regular Corps, United States Public Health Service, effective date of oath of office.

##### IN THE ARMY

##### TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

##### To be brigadier generals

Telford Taylor  
Conrad Edwin Snow  
Maurice Hirsch

## SENATE

MONDAY, APRIL 29, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi Norman Gerstenfeld, minister, Washington Hebrew Congregation, Washington, D. C., offered the following prayer:

O Heavenly Father, we meet this hour in a world trembling on the edge of chaos, a world moving rapidly downward into the anarchy of a ghastly morrow that will sweep like a tidal wave out of the impenitent evil of the Old World to engulf our own homes and burden the future of this blessed land with new tragedy and tyranny to curse the generations to come. Open Thou our eyes so that we can see the duty that rests upon us in this hour. Clear Thou from our hearts the self-righteousness that would blind us to our own failings. Make us to understand that we, too, by our own default, were responsible for the weakening of the peace that permitted the bloody holocaust of evil to capture the high places of mankind. Guide us in this hour so that we do not fail the hope of the morrow for which the bleeding torso of a crucified humanity now prays. Strengthen Thou our souls so that we will now arise to our full duty, as the chosen instruments of high purpose of a free people, so that we will help save our land from the backwash of chaos that will now come if we do not press forward to bring the fruits of victory to the foot of an altar of a new covenant of justice and peace; for Thine must now be the kingdom, the power, and the glory. Amen.

#### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the